Austria ... Sch. 18	Indonesia .. Rp 2500	Portugal ... Esc 80
Bahrain .. Din.0.650	Italy ...... L 1300	S. Arabia . Rls 6.00
Belgium ... BFr.38	Japan Y550	Singapore . S$ 4.10
Canada ... C$2.00	Jordan ... Fils 500	Spain .... Pta 110
Cyprus ... C£0.60	Kuwait ... Fils 500	Sri Lanka ... Rup 30
Denmark .. Dkr.7.25	Lebanon .. £L 6.00	Sweden .. Skr 8.50
Egypt .... E£1.00	Luxembourg . LFr.38	Switzerland SFr 2.20
Finland .. Fmk 6.00	Malaysia .. Rin 4.25	Taiwan ... NT $85
France .. FFr. 8.00	Mexico .. Pes. 300	Tunisia .. Din 0.600
Germany . DM 2.20	Morocco .. Dh 6.00	Turkey .... L 210
Greece ..... Dr 70	Netherlands . Fl 2.50	U.A.E. ... Dh 6.50
Hong Kong . HK$ 12	Norway .. Nkr. 8.00	U.S.A. $1.50
India .... Rup. 15	Philippines . Pes. 20	

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,538 Thursday January 31 1985 D 8523 B

U.S. farm subsidies: problems at home and in Europe, Page 10

World news | Business summary

Israel warns of Lebanon bloodbath

Israel warned foreign diplomats that there could be a bloodbath in southern Lebanon after the planned Israeli withdrawal and laid any possible blame on the governments in Beirut and Damascus.

Mr David Kimche, director general of the Foreign Ministry, told several ambassadors that Israel held Beirut and Damascus responsible for whatever happened, because of their refusal to co-ordinate the entry of Lebanese and UN forces into the evacuated areas.

Gen Haim Erez, the Israeli army's quartermaster general, reported that the withdrawal of equipment was going according to plan and that stage one would be completed by February 18. Page 3

Kirkpatrick resigns

U.S. Ambassador to the United Nations Jeane Kirkpatrick resigned her post and said she would return to private life as a teacher and writer. Page 4

Vigilante lawsuit

A $50m civil lawsuit was launched in New York against Bernhard Goetz, the "subway vigilante", who has achieved national prominence for his action in shooting four black youths in an alleged mugging incident.

Missile debris found

Writing on the wreckage of a Soviet missile found in a lake in Finland confirmed that it was a target drone, not a cruise missile.

Le Monde strike

A printers' strike kept Le Monde off the streets as the new editor continued his efforts to save the newspaper from bankruptcy.

Greece rejects U.S.

The Greek socialist Government refused requests by the U.S. for the renovation of American nuclear weapons installations in Greece. Page 2

Soviet 'intrigue'

A leading Polish civil rights lawyer implied at the Popieluszko murder trial that the pro-Solidarity priest's death had been the result of Soviet intrigue. Page 2

Airport 'rejection'

The UK Government looks set to reject the expansion of Stansted as London's third international airport, in the face of Conservative MPs' opposition.

Nazi imprisoned

Former SS corporal Helmut Krizons was sentenced to three years imprisonment for complicity in the murder of at least 15,000 Poles. His trial, which began in May 1979, was the longest involving one person in West Germany.

Zia Islam pledge

Pakistan's martial law President, General Zia ul-Haq, vowed to step up the Islamisation of the country. He said a referendum last month, which assured him of five more years in power, gave him a mandate to enforce Islam.

BA flights hit

British Airways short-haul flights from Heathrow airport, London, were grounded by a dispute over whether cabin crew should serve hot breakfasts on board BAC 1-11 aircraft. Page 6

Sri Lanka blast

Four people were killed and six seriously injured when separatist Tamil guerrillas set off a landmine under an ambulance carrying patients in Sri Lanka's Eastern Province.

U.S. trade deficit hits record $123bn

U.S. TRADE deficit hit a record $123.3bn last year and is destined to rise to a new peak this year, Mr Malcolm Baldrige, Commerce Department Secretary, said after the release of the December trade figures. Page 4

JAPAN'S balance of payments and of trade reached record surpluses in 1984 after a surge in exports, particularly to the U.S. Page 4

DOLLAR showed mixed changes in London, declining to DM 3.169 (DM 3.176) and FFr 9.68 (FFr 9.7025) but improving to SwFr 2.675 (SwFr 2.666) and Y254.5 (Y254.3). On Bank of England figures, the dollar's index was unchanged at 146.2. Page 43

STERLING was firmer in London, rising 1.2 cents against the dollar to $1.1265. It was also higher at DM 3.57 (DM 3.5425), SwFr 3.0125 (SwFr 2.9725), FFr 10.905 (FFr 10.82) and Y286.75 (Y283.75). The pound's exchange index rose to 71.4 from 70.8. Page 43

WALL STREET: The Dow Jones industrial average closed 4.74 down at 1,287.88. Section III

LONDON: Equities and gilts recovered, with the FT Ordinary index up 25.5 to 986.7. Section III

TOKYO shares retreated slightly after an early rally. The Nikkei Dow market average closed up 117.56 at 11,960.63. Section III

GOLD rose 50 cents an ounce on the London bullion market to $303.25. It was unchanged in Zurich at $303.15. Page 42

IRAN'S central bank denied that it had ordered import letters of credit to be curtailed and said foreign exchange reserves were enough to meet all commitments.

DUNLOP'S Sir Michael Edwardes, chairman of the British rubber group, made an unusual appeal to Sir Owen Green, his counterpart at BTR, the UK industrial conglomerate, to avoid a head-on clash between the two companies over Dunlop's £142m ($159m) refinancing plan. Page 6

AIRBUS INDUSTRIE'S administrative board is expected to meet in the next few days to choose a successor to Bernard Lathière, chairman of the European airliner manufacturing consortium, who is leaving next month.

SIEMENS, West German electrical and computer group, boosted net profits to DM 1.066bn ($336m) for the year to September 30 from DM 802m in 1983. Page 14

SHELL Française, French subsidiary of the Royal Dutch/Shell oil group, expects a loss of FFr 1bn ($103m) for 1984 and is trying to regain market share lost to discount petrol retailers. Page 14

DU PONT, biggest U.S. chemicals group, suffered a 10 per cent fall in fourth-quarter earnings to $306m but stayed 27 per cent ahead for the full year with a net surplus of $1.43bn. Page 13

FARM equipment makers J. I. Case and International Harvester are to merge their UK product lines and dealer networks after the takeover of IH's tractor business by Tenneco, Case's U.S. parent. Page 13

XEROX, world's biggest copying equipment manufacturer, saw 1984 net profits fall 38 per cent to $291m because of losses in its insurance unit and the discontinued Shugart disk drive business. Page 13

We apologise for any typographical errors in today's edition arising from industrial action by members of the National Graphical Association in the proofreading room in London.

Opec agrees new price levels and monitoring system

BY DOMINIC LAWSON IN GENEVA

THREE DAYS of tense negotiations between members of the Organisation of Petroleum Exporting Countries (Opec) ended yesterday with a majority agreement designed to bring Nigeria back into the fold and to offer the UK the chance of realigning North Sea oil prices with those of Opec.

Only nine of the 13 Opec member-states accepted the changes, which involve a cut of $1 a barrel in Arabian Light to $28 and the abandonment of Arabian Light as the Opec marker. Arabian Heavy will stay at $26.50, having risen 50 cents to that level last month. Nigeria is to increase its official price for Bonny Light from $28 to $28.65 – the last official price agreed to by the British National Oil Corporation (BNOC). Algeria, Libya and Iran dissociated themselves from the decision, while Opec's smallest producer, Gabon, abstained.

The three dissenters wanted the spread of Opec official prices to fall within a narrow band of $2 all the way from Arab Heavy at $27 through to African Light crudes at $29. That would have made their light crudes more competitive. But, as the main producers of heavy crudes, Kuwait and Saudi Arabia would not yield on that point.

OIL PRICE CHANGES ($ a barrel)

	New price (from Feb 1)	Previous price (from Jan 1)	Price till end-December
Arabian Heavy (Saudi Arabia)	26.50	26.50	26.00
Arabian Medium "	27.65	27.65	27.40
Arabian Light "	28.00	29.00	29.00
Murban (UAE)	28.15	29.31	29.56
Bonny Light (Nigeria)*	28.65	28.00	28.00
BNOC †	–	–	28.65

* Official OPEC price $30 since March 1983; Nigeria unilaterally cut to $28 in October 1984
† No official price since end-December, price had been reduced from $30 to $28.65 in October 1984.

Sheikh Ahmed Zaki Yamani, the Saudi Oil Minister, insisted yesterday that "agreement by majority is nothing new in Opec." Oil company experts in Geneva pointed out that the three opposing member-states were responsible for less than 3m barrels a day (b/d) out of Opec's current production of about 14m b/d and that they were maverick members, who have consistently sold their crude at well below Opec official prices.

The dissenters did endorse the meeting's decision to appoint auditors to monitor Opec prices and production. Indeed, Mr Belkacen Nabi, the Algerian Oil Minister, said after the meeting that the production controls should have been reinforced further by the introduction of a system of sanctions to be levied against Opec national oil companies found to be overproducing.

Although the realignment of Opec prices in line with modern refining techniques that favour the use of heavy crudes seems largely to have been achieved, the agreement had another separate purpose.

The UK cut its oil price from $30 to $28.65 last October, and the Nigerians' response of a $2 reduction to $28 meant that the whole Atlan-

Continued on Page 12

Background, Page 12; Spot prices, Page 42

UK pledge on inflation fuels markets upturn

BY MAX WILKINSON IN LONDON

BRITAIN'S monetary policy will be kept on a tighter leash, Mr Nigel Lawson, Chancellor of the Exchequer, indicated yesterday as London's financial markets showed a burst of carnival spirit.

Mr Lawson's speech, which disowned any previous intention of shifting the focus of the Conservative Government's policy from controlling inflation to increasing employment, caught the markets as they were already starting an upward swing after two days of sharp losses, which followed a 2-point rise in UK interest rates on Monday.

His anti-inflation speech was taken as further encouragement in the markets, where hopes of an agreement to stabilise oil prices were already pushing up sterling against a firm dollar.

The optimistic mood became firmly established in afternoon trading with a sharp fall in money market rates, rises of up to 3 points for government securities and a 25.5-point recovery in the FT Industrial Ordinary share index to 986.7.

Sterling's index against a trade-weighted basket of currencies ended the day in London at 71.4, up 0.6 per cent from Tuesday's closing value.

Mr Stephen Lewis, monetary analyst for the broker Phillips and Drew, said that the markets' strong upward movement was encouraged by Mr Lawson's speech. "I think his message was that he will be trying to keep the money supply somewhere in the middle of the target ranges, rather than at the top of the range."

As if to reinforce that view, the Bank of England announced that it was issuing £500m of gilt-edged stock in the form of tranches of existing stock. They are: £200m of 10½ Treasury stock redeemable in 1989, £200m of 12 per cent Treasury 1995, and £100m of 10¼ per cent conversion stock redeemable in 1999.

The view that British banks' base lending rates would soon be reduced from the 14 per cent reached on Monday was helped by a Treasury announcement that it was suspending the taking of deposits under the current certificate of tax deposit scheme. That was because rates of interest were now out of step with falling money-market rates.

The three-month London interbank rate fell by 1⅛ points yesterday to 12$^{11}/_{16}$ per cent.

Mr Lawson said that some experts had been suggesting that the Government had shifted its priority from the defeat of inflation to the reduction of unemployment, that

Continued on Page 12

Editorial comment, Page 10; Economic Viewpoint, Page 11; London stock market, Page 37; Money markets, Page 43

Germans plan further tax cuts

By Our Bonn Correspondent

WEST GERMANY'S ruling centre-right coalition aims to bring in further cuts in personal and corporate taxation to underpin future economic growth – provided that it can keep the federal borrowing requirement, now at barely 2 per cent of national output, on its present downward path.

Herr Martin Bangemann, Economics Minister, made clear yesterday that such tax concessions would be in addition to the DM 20 bn ($6.3bn) of cuts in income tax, mainly to help the lower-paid and those with larger families, scheduled to take effect in 1986 and 1988.

The philosophy of promoting private enterprise, increasing incentives and rolling back the public sector by a sustained, if cautious, programme of denationalisation, ran through the annual economic report of the Government that Herr Bangemann presented yesterday.

The document is full of an undisguised optimism that West Germany now has the chance to achieve sustained economic growth that might stretch well beyond 1985.

Herr Bangemann acknowledged that such a rosy outlook could be upset to some degree if West Germany was obliged to raise interest rates to protect the D-Mark against the dollar and thus reduce the risk of imported inflation.

The Bundesbank reported yesterday that the country suffered a balance-of-payments deficit of DM 3.1bn in 1984 due mainly to a sharp increase in total capital outflows to DM 29.1bn from DM 16.3bn the previous year.

The issue of whether key lending rates should be nudged upwards will dominate the meeting today of the central bank's policymaking council in Frankfurt. Herr Bangemann argued, however, that there was no threat to prices to justify any increase.

For this year, the Government reckons that inflation will remain at its present level of about 2 per cent, a figure that gives West Germany, with Japan, the distinction of the lowest rate of any industrialised country.

Its forecasts conform broadly with the general consensus of both official and independent analysts. Growth is put at 2.5 per cent "or slightly higher" for 1985 while the export side is expected to make a net contribution of as much as DM 55bn (against almost DM 46bn last year).

Continued on Page 12

Chemical companies optimistic, Page 2

EEC steel producers seek price increases

BY PAUL CHEESERIGHT IN BRUSSELS AND IAN RODGER IN LONDON

LEADING EUROPEAN steelmakers have put the new European Commission on the spot by asking it to raise minimum steel prices by about 3 per cent on April 1.

Even if the Commission refused the request, however, price increases in April are likely on many products, especially in Britain, where the recent fall of sterling has given producers some insulation against import competition.

The request by Eurofer, the informal grouping of the main EEC steel producers, to raise prices is awkward partly because it comes only 11 months before the eight-year-old EEC steel restructuring regime is due to end.

Then producers will have to set their own prices and be free of government subsidies.

The Commission, which has imposed and policed minimum prices since the beginning of 1983, would prefer that producers resume responsibility for their prices as soon as possible.

Commission officials also question the wisdom of an increase when the market is weak and existing minimum prices, which were last adjusted in October, are not being achieved in most countries.

On the other hand, Brussels is under pressure from member Governments that want to see higher prices so that they can reduce subsidies to their weaker steel producers.

If the minima are raised further, Brussels would probably have to tighten production quotas as well. Such a move would upset steel consumers who have already complained about artificially induced shortages.

The lead for price increases this time is coming from British and West German producers. The British Steel Corporation has been suggesting to its main customers that its price for cold-reduced sheet, the most common product, might rise by 4.5 per cent or £12 a tonne on April 1 to £279 ($309.7).

On the Continent, where prices are set in the West German market, the aim is to raise cold-reduced sheet by 3 per cent or DM 30 to about DM 1,030.

Producers argue that an increase is necessary largely because their raw material costs, most of which are denominated in dollars, have risen substantially in recent months.

In addition, European prices are still well below levels prevailing in Japan and the U.S. They are also below the European Commission's own guidance prices, which are intended to indicate the level required by an efficient producer to make a reasonable return on investment.

Farm package aims to cut cereal costs

BY IVO DAWNAY IN BRUSSELS

MR FRANS ANDRIESSEN, the new EEC Farm Commissioner, last night presented his first package of farm price proposals based on an unprecedented 3.6 per cent cut in cereal prices.

The overall impact of the proposal is estimated as a 0.3 per cent cut in current European Currency Unit prices but a 0.1 per cent rise when taken in national currencies by farmers throughout the Community.

Among the member states Italy and West Germany suffer most, with cuts of 0.6 and 0.4 per cent respectively. France and Greece are the greatest beneficiaries with rises of 0.8 per cent and 2.7 per cent.

The farm price package gives a small rise of 2.5 per cent to the Community's dairy farmers in compensation for production cuts imposed by the punitive "superlevy" milk quotas imposed last year.

When all the price changes are taken together, however, the Commission estimates that the package will almost balance, adding just Ecu 138m in 1985 to a total farm budget forecast at Ecu 20bn ($14bn) if the current favourable market situation is sustained.

Mr Andriessen acknowledged that the calculation was made on the most optimistic forecasts of market developments. A 5 per cent fall in the value of the U.S. dollar would add about Ecu 350m to the EEC export subsidy costs and a substantial fall would add markedly more.

Last year, a farm budget of Ecu 16.5bn was dramatically overspent

Continued on Page 12

U.S. farm subsidies, Page 10; Commodities, Page 43

Thyssen stages big recovery

BY RUPERT CORNWELL IN DÜSSELDORF

THYSSEN, the West German industrial group and Europe's largest steel producer, recovered spectacularly to show a net profit of DM 181m ($57m) in 1983–84 and is expecting a further improvement in the current year to September 30.

The return to profit breaks a three-year string of losses culminating in a record deficit since the second world war of DM 550m in 1982–83. Despite the turnround, however, Thyssen shareholders will go without a dividend for the second year running.

However, that may well change shortly. Herr Dieter Spethmann, the group's chief executive, indicated this week that he would have something "pleasant" to say to the next annual meeting of Thyssen shareholders on March 22 – a heavy hint that, should the improvement continue, a payout would resume for 1984–85.

One argument for a return to dividends is an evident keenness to raise new capital. Herr Spethmann said the group's own resources were too low for its volume of business. Tough operating conditions had reduced them from DM 3.5bn in September 1980 to DM 2.6bn at the end of the past financial year despite an increase in worldwide turnover from DM 27.1bn in 1979–80 to DM 32.4bn last year.

However, Herr Spethmann would not comment on the timing or shape of any such scheme. It would have to wait for market conditions to be just right, he said.

Almost all of Thyssen's main divisions contributed to 1983–84's surge back to profits. The group's foreign and domestic trading also contributed – almost equally. Steel manufacturing turned a 1982–83 pre-tax loss of DM 134m into a profit of DM 131m. Special steel went from a loss of DM 93m to a profit of DM 107m, while Thyssen's diversified capital equipment and manufacturing division chopped its pre-tax deficit from DM 317m to only DM 101m in 1983–84.

As a result, and despite virtually unchanged depreciation of just more than DM 1.1bn, the worldwide cash flow of Thyssen more than doubled to DM 1.46bn, bringing it back above the level of four years earlier.

Even the Budd Co of Troy, Michigan – the long-troubled U.S. subsidiary of Thyssen – seems to be on the mend, a pattern cemented by a move to hive off Transit America, the heavy loss-making urban transit company, from Budd itself.

According to Herr Spethmann, Budd's monthly sales in the first quarter of the current year were running at an average DM 352m; 39 per cent higher than in 1983–84, which itself was 52 per cent up on 1982–83. Thanks largely to the strength of the U.S. auto industry, to which Budd is an important supplier, the company will show a clear profit for 1984–85.

For the group as a whole, sales were running 8.4 per cent ahead of last year during the first quarter from October to December 1984. Average monthly sales climbed to DM 2.77bn from DM 2.7bn throughout 1983–84.

The strongest performance came in the steel and special steel sectors, where turnover grew by 15.7 and 18.4 per cent respectively. Even so, Thyssen is expecting a further drop in its overall workforce to perhaps 125,000 at the end of the present year from 128,000

CONTENTS

UK wins backing for platform to orbit earth

BY PETER MARSH

WESTERN EUROPE'S next big space project began to take shape yesterday after Britain won agreement fro mFrance, West Germany and Italy for its plans to build an orbiting platform for earth observation.

The platform will be an important part of western Europe's contribution to the U.S. manned space station planned for the 1990s.

The British structure, to be loaded with cameras and other instruments for monitoring the earth's surface, looks set to be a key component of Columbus, a set of hardware that will plug into the American space base.

Understandings reached yesterday at the start of a two-day meeting of European Ministers in Rome clarified the roles that different countries will play in Columbus.

While West Germany and important items of the project such as power supplies and laboratory modules, France will keep its leading role in developments of Ariane. Western Europe's satellite launcher.

As part of the plan. Ariane could later be converted not only to take satellites into orbit but to ferry people and materials to the space station.

Providing a two-year set of feasibility studies on Columbus proved that the designs are acceptable. Western Europe could spend up to $2bn (£1.8bn) on the project over 10 years.

West Germany plans to contribute 38 per cent of the cost, with Italy and Britain accounting for 25 per cent and 15 per cent. Other members of the 11-nation European space agency would put up the rest.

The total cost of the orbiting platform components in Columbus would be some $400m, with Britain responsible for 30-40 per cent of this.

With the platform, which will zoom in an orbit over the North and South poles, scientists would experiment with new techniques with which to take pictures of the earth — an activity that could have commercial possibilities.

The snapshots from space could be sold to farmers and oil companies for their value in monitoring crops and pinpointing minerals deposits.

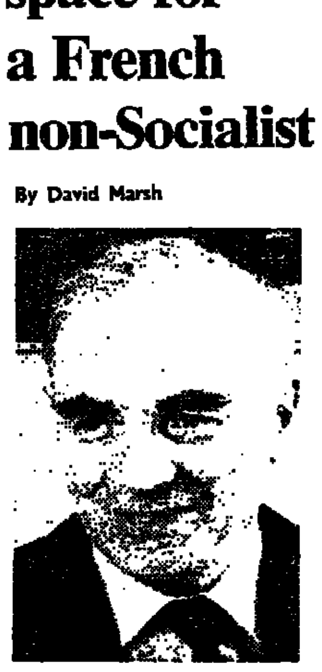
The agreement to the UK's plan of France, West Germany and Italy — which in recent years have had a dominant influence in ESA—was essential if Britain wanted to take a large share in Columbus.

The large part in the project marks a break in official UK policy towards space technology. Over the past decade, Britain has made little contribution to Western Europe's work in space station studies and launcher development, preferring to concentrate on relatively unrisky projects in communications satellites.

Mr Geoffrey Pattie, Britain's Minister for Information Technology who is leading the UK delegation, said that if the feasibility studies gave acceptable results. Britain's total annual budget for space activities could rise over the next few years by 50 per cent from its current level of £90m.

A place in space for a French non-Socialist

By David Marsh



M. Curien

M HUBERT CURIEN, the French Research and Technology Minister, is the only non-Socialist in the French Cabinet. He is also the only member with a solid record of achievement in that most political of Gallic objectives — carving out an independent place for France in the technological tussle with the U.S.

As the representative of Europe's most important national space effort, he will be one of the leading participants at the European Space Agency meeting in Rome to decide how Europe will take part in building the U.S. space station.

He is well qualified for the task. Brought into the Government last July, M Curien, 60, had previously spent eight years as president of the national space agency CNES. He has been one of the driving forces behind the French-led Ariane rocket, now challenging the U.S. shuttle in the commercial exploitation of space.

He was managing director of the National Scientific Research institute (CNRS) between 1969 and 1973, and has been chairman since 1979 of the European Science Foundation, grouping together national research institutes. He was also head of the governing body of the European Space Agency for three years up to last summer.

One of his first public actions on taking over his ministerial job was to chair a meeting in September of research ministers from the Council of Europe. The gathering, the first ever, decided to launch measures to improve scientific collaboration, especially mobility of researchers, among the 21 member nations.

"The fact that we want to construct a European scientific and technological community is not at all an act of aggression towards the U.S. or Japan," he says. "On the contrary, if Europe becomes more unified it will become a more interesting partner for the U.S. and Japan in terms of science, as well as a more formidable one in terms of commerce."

The gentle-mannered Minister has switched careers at a time when the French research budget — although spared the maulings inflicted on some other government spending programms in 1985 — is being squeezed by economic austerity. "No-one can hope, even in the U.S., that the relative volumes of research budgets will go on increasing," he says. "We have to make better use of existing resources."

In pursuit of higher economic returns from France's research effort, M Curien is running a crusade to break down France's traditionally rigid barriers between the academic world and industry.

The way to do this, he believes, is to encourage scientists to plunge into industrial careers immediately after or even during the time they are writing their theses. Additionally, he would like more French companies and research establishments to develop contacts along U.S. lins.

There is already evidence of activity in this field. The state atomic energy commission has signed an agreement with the Thomson electronics group to develop high performance microchips, and the oil company Total has joined the national agronomical research institute INRA and CNRS in a project to produce disease-resistant date palms.

Both the Government and the research institutes think that unless scientists venture into commercial projects, France will lose ground to the U.S., Britain and Japan in crucial fields.

In another sign of increased flexibility, the 38,000 staff at the CNRS, INRA and the medical research institute INSERM have just come under new harmonised contracts enabling them to move more easily among the three establishments, as well as into outside jobs in universities or industry.

As part of his bid to breathe new dynamism into the scientific community, M Curien has just completed a whistle-stop tour of company and institute research centres across France. He has little time now for his weekend pastime of wood chopping at his country home.

With his unfailing courtesy and lack of dogmatism, M Curien can be expected at the Rome meeting to advance the causes of French self-interest and scientific in roughly equal roughly equal proportions.

W. German chemicals expect buoyant year

BY JOHN DAVIES IN FRANKFURT

THE West German chemical industry expects another buoyant year, after the rapid rise in production during the past two years.

But growth prospects are being assessed modestly at the moment, with the Chemical Industry Association (VCI) describing the overall trend as "stabilisation at a high level."

The chemical industry boosted production by an estimated 5 per cent last year, on top of a 7.3 per cent increase in 1983.

Sales revenue from local production rose 11 per cent to about DM 141bn (£47bn) last year, with export sales showing a hefty 16 per cent rise. For the first time, exports provided just over half the industry's earnings.

The chemical industry's sturdy growth, spurred by its export success, has been one of the factors stimulating West Germany's recovery from recession over the past two years.

Chemical companies' profits have risen sharply as increased demand has enabled them to make better use of installations.

Capacity utilisation in basic chemicals exceeded 85 per cent last year, compared with about 75 per cent in 1981 and an even lower level in the worst months of 1982.

Reflecting the industry's improved performance, Hoechst, BASF and Bayer—the three biggest chemical groups—have strongly increased their sales revenue and especially their profits during the last two years.

There has been speculation that all three will increase their dividend on last year's results for the second year in a row.

Prof Heinz-Gerhard Franck, the VCI president, said that some chemical industry sectors still faced problems, with the fertiliser business, for instance, suffering from subsidised competition from other European countries.

The industry would also have to remain flexible to adapt to structural changes taking place on the world chemical scene, notably the growing petrochemical production in the Middle East based on cheap raw materials.

While the profits of West German chemical companies had improved, the net yield from sales revenues was still less than in the early 1970s, Prof Franck said. The yield last year was over 2 per cent but in 1973 it reached 3.4 per cent.

Prof Franck said that uncertainties affecting the chemical industry's export business this year could not be overlooked, while within West Germany itself the chemical industry was unlikely to receive much extra impetus despite the economic upswing.

But even so, the chemical industry should be able to provide more jobs, after already building up its workforce by 10,000 last year to 550,000.

Moscow 'behind Popieluszko murder'

By Christopher Bobinski in Torun

A LEADING Polish civil rights lawyer speaking at the Father Jerzy Popieluszko murder trial implied yesterday that the pro-Solidarity priest's death had been the resut of Soviet intrigue.

The lawyer, Mr Jan Olszewski, who is noted for having defended dissidents in the past and more recently has acted as one of the advisers to the Polish bishops, is representing the interests of the dead priest's family in the trial in Torun which is slowly drawing to a close after 23 days.

In a formal set speech, Mr Olszewski said that Fr Popieluszko had been "unerringly" chosen as a victim of a "political provocation." "His body, his blood, was to have set in train a spiral of mutual terror" between ruler and ruled," Mr Olszewski claimed.

"No political group, no faction in Poland could have been interested in this, because civil strife "would have weakened the country."

"Every child who has been taught history thoroughly in Poland knows who is intedested in weakening this country," Mr Olszewski went on, in what to a Polish audience is a clear reference to the Soviet Union.

Earlier, other lawyers defended Fr Popieluszyo's right as well as that of the Church to speak out on public issues.

This was in response to an unprecedented attack on Fr Popieluszko by the state prosecutor the previous day. Then, he had compared the pro-Solidarity priest's stance with that of the extremism of his alleged murderers.

The prosecutor askek for the death penalty for former Capt Grzegorz Piotrowski, leader of the group of security men who are accused of murdering the priest on October 19 last year.

In their speeches the civil rights lawyers almost all reminded the court that Fr Popieluszko had been opposed to the death penalty, and suggested they, too, were against applying it in this case.

The court has still to hear defence speeches and the final speeches of the four accused before passing sentence.

Airbus likely to name new chief shortly

AIRBUS INDUSTRIE, the European airliner manufacturing consortium, is expected in the next few days to choose a successor to M Bernard Lathière, the chairman, who is leaving next month, writes David Marsh in Paris.

A senior French official said last night that M Pierre Pailleret, the 40-year-old Airbus marketing director, appeared "well placed" for the job but added there were also other candidates in the field and a final decision had not been taken.

Other candidates are M Daniel Tenenbaum, the head of the government's Civil Aviation directorate, and M Jean Pierson, in charge of aircraft activities at Aerospatiale, the state-owned aerospace group.

EEC intensifies search for consensus on car controls

BY JOHN DAVIES IN FRANKFURT

THE SEARCH for a European Community consensus on tighter anti-pollution controls for cars is being intensified, with suggestions that smaller cars receive favourable treatment.

Officals in Brussels are weighing up the feasibility of bringing in different timetables for the introduction of stricter emission controls according to vehicle size.

In the West German motor industry, too, there are suggestions that there may have to be an EEC compromise exempting small cars, of up to 1.3 litres engine capacity, from the use of pollution-controlling catalytic converters.

The whole issue of car pollution control has been brought to a head by the West German Government, which decided last September to make tighter emission controls compulsory for new cars from 1989 (and for bigger cars from 1988).

But France, Italy and the UK have all expressed reservations about Bonn's timetable. The West German Government is anxious to avoid "going it alone" because of the possibility of trade conflict and has been renewing its efforts lately to bring its EEC partners into line.

Mr Stanley Clinton Davis, the UK EEC commissioner responsible for environmental matters, told members of the European Parliament's environmental committee this week that the Commission was looking for a compromise.

He indicated that the Commission, like the European Parliament, was trying to advance the EEC's previous target date of 1995 and that different timetables for different car sizes might help.

A senior official of the West German car industry said that Bonn could not act on its own as legislation had to be harmonised within the EEC.

Herr Friedrich Zimmermann, the West German Interior Minister, is to meet Sig Umberto Agnelli, the Fiat chief, at an undisclosed venue in West Germany tomorrow for an exchange of views on the whole issue.

Luxembourg group presses for stake in French TV

BY DAVID MARSH IN PARIS

COMPAGNIE Luxembourgeoise de Telediffusion (CLT), the Luxembourg broadcasting group, is pressing for a major stake in the French Government's plans for private television transmissions as a key condition for collaborating over France's TDF-1 TV satellite sheduled to belaunched next year.

The CLT reaction introduces a new element of uncertainty into France's ambitious plans for satellite broadcasting, which have already faced setbacks over the past 12 months for financial and technical reasons.

The CLT group is pressing its point of view on the Government as one of a number of media companies jostling for favourable treatment over private TV.

This follows President François Mitterraud's announcement earlier this month giving the green light to commercially-funded local TV networks, using ground transmission networks, which could be started from next year.

Under an agreement between the Luxembourg and French governments last October, CLT is to operate commercially two channels, in French and German, of the four-channel TDF spacecraft. The other two are planned as non-commercial French services.

In an interview with the Financial Times, M Gust Graas, managing director of CLT, said' "Our strategy based on the political accords of October could change if private TV networks are started.

"In that case, we would like the TDF service to be based partly on ground transmission networks as well."

CLT's reticence over the private TV plans has already been communicated to M George Fillioud, the Communications Minister who signed the October accords, as well as Mme Michelle Cotta, the head of France's broadcasting authority in charge of supervising the new TV networks.

CLT, whose operating arm is Radio Television Luxembourg (RTL), fears that the private TV groups would drain potentially crucial volume of advertising from TDF.

M Graas said he doubted whether there would be room for a commercially operating TDF service, regionally operating private networks, as well as the recently-introduced Canal-Plus pay-TV channel—which itself has faced a fall-off in subscriptions as a result of President Mitterrand's announcement.

To protect its interests, CLT/RTL is seeking a share of around 30 per cent in the overall private TV system. Early government plans call for 85 transmitting stations around the country, with perhaps three or four dominant nationwide programmes.

CLT also intends to reopen negotiations with the Government on a series of other questions, including allocations of advertising, technical standards for reception equipment and the basic TDF channel-leasing fee. These were all left open in the October agreement.

In another sign of possible complications over the October deal, a rival Luxembourg group which intends to launch its own communications satellite, GDL, has made clear it is pressing ahead with the project despite French opposition.

Coronet, the operating company for the project, which has been seeking European investors to back the $180m (£163m) plan, says it is close to choosing a U.S.-made satellite to launch into orbit in mid-1986.

Nato allies table detailed security talks proposals

BY DAVID BROWN IN STOCKHOLM

NATO ALLIES yesterday tabled the first in a series of detailed proposals at the 35-nation European Security Conference in Stockholm, which is moving towards the first in-depth negotiations since the talks opened a year ago.

Nato is seeking agreement on a specific series of measures which will go "significantly beyond" those contained in the 1975 Helsinki Final Act.

The first Nato document spells out in more detail an earlier proposal on the regular exchange of military information about ground and air forces based in Europe. This would provide "an objective context for understanding when there is a departure from the normal peacetime military configuration," said one top U.S. delegate.

This will be followed by detailed working proposals on advanced notification of troop movements, the mandatory invitation of observers and tougher verification procedures aimed at reducing the chance of accidental war in Europe.

On Tuesday, the Soviet Union tabled a draft treaty on the non-use of military force. The top Soviet delegate said Moscow is seeking an agreement "in the very near future."

Andriana Ierodiaconou reports from Athens: Social Government has refused requests by the U.S. for the renovation of American nuclear weapons installations in Greece, according to Dr Andreas Papandreou, the Prime Minister.

"We refuse permission for the simple reason that we aren't playing games. If we are saying to the Greek people that the nuclear weapons will go, we can't be saying to the Americans, 'Go ahead and modernise your installations,'" Dr Papandreou said.

Hopes of breakthrough fade for MBFR talks

BY PATRICK BLUM IN VIENNA

THE VIENNA talks on reducing conventional forces in Europe — the Mutual and Balanced Force Reduction (MBFR) negotiations—resume today with little expectation of a breakthrough.

This is despite hopes expressed by officials of both East and West that the talks may be helped by resumption of direct negotiations between the U.S. and the Soviet Union in Geneva in March.

The Geneva talks are expected to overshadow those in Vienna which have been deadlocked for years, mainly over the so-called data issue.

Both sides agree in principle that their forces should be reduced to about 700,000 each eventually, but cannot agree on their respective current strengths.

Officials in Vienna are eager to stress however, that the start of new negotiations in Geneva does not mean an end to the Vienna talks.

Both the U.S. and British delegations will soon be losing their ambassadors to the talks. Mr Maynard Glitman, the U.S. head of delegation, is leaving within the next two weeks for Geneva, where he will take responsibility for negotiations on medium-range nuclear weapons.

Today's session is expected to be his last in Vienna, and, until a new ambassador is appointed, his role will be fulfilled by Mr Vladimir Lehovich, currently deputy leader of the U.S. delegation.

Mr Murray Simons, the British head of delegation, will also be leaving soon, and his job will be taken over by Mr Michael Alexander, British ambassador to Vienna, who has not been involved in the talks until now.

British and U.S. officials both stress that the moves are not a reflection of a downgrading of the talks.

Portugal may boost security forces' powers

By Diana Smith in Lisbon

AFTER THREE urban guerrilla bomb attacks in 48 hours, the Portuguese Government has held emergency meetings to discuss the problem.

As a result, there may be more energetic efforts to reinforce the powers of security forces.

In the attacks, three mortar shells fell into the river 100m from Nato vessels moored at a Lisbon dock, a parcel bomb killed a Portuguese racing driver, and a bomb exploded outside a landowner's home in the south.

The attacks were claimed by the FP-25 (Forcas Populares 25 de Abril) an urban guerrilla group which appeared in 1980 and says it upholds the "conquests of the April (1975) Revolution."

The attacks have been interpreted as a reminder to the authorities that FP-25 members can still make an impact and second, as an attempt to unsettle Portugal's allies, creditors and investors when the country is heading towards EEC accession and a new international role.

The authorities have been hampered by delays in implementing a national security law that affords greater powers of surveillance and arrest to the police where terrorism is suspected.

Bitter reaction to Hungary's price rises

BY ELIZABETH WINDSOR IN BUDAPEST

JANUARY PRICE rises have become a regular feature of Hungarian life in the past few years.

This is the month when people learn how much more they will have to pay for certain "fixed-price" goods—meat, bread and rice in one year, alcohol, cigarettes and petrol in the next — and they know it will be followed by cost increase in "free price" items such as fruit and vegetables.

Hitherto, Hungarians have grumbled at this seasonal dose of inflation, but taken it calmly like a spell of bad weather. This year, however, seems different.

This month's price rises, which have raised the cost of selected foodstuffs by an average 20 per cent, domestic energy by 25 per cent, and local transport by 55-100 per cent, have prompted a more bitter reaction.

This has come particularly from those living on fixed incomes, whether pensioners or workers outside the private "second economy."

The bitterness stems, first, from the cumulative effect of several years of stagnating real wages (which will again show no increase in 1985) and, second, from growing income gaps within society.

Such increasing social tensions seem sure to surface in some form in March when the ruling Communist Party holds its next four-yearly congress.

The ranks of the relatively poor in Hungary today include not only less qualified factory workers, but many white-collar professionals such as teachers, engineers, and research scientists.

Their pay is mostly below that of manual labourers of the same age, and without launching into the "second economy" (which many are ill-equipped to do), they find it increasingly hard to make ends meet, let alone buy or build that most precious of all goods in Hungary: their own home.

Envy compounds this, when they see the beneficiaries of the "second economy" building swimming pools, running Japanese or West German cars, taking expensive holidays, or playing video cassettes, the latest fad of the Hungarian rich.

Who are these "rich"? They vary widely. They could include a stonemason, charging exorbitant prices for indifferent "private" work, or a boutique owner, often selling clothes more chic than state shops offer, but equally poor quality.

Or a mechanic, who somehow gets scarce car parts from state garages and charges 50 per cent extra for them. Or even doctors.

Medical care is free, in theory. But handfuls of forints, sometimes exceeding the average monthly wage, are frequently slipped into a surgeon's pocket, and accepted.

Dublin eases income tax and simplifies VAT

BY BRENDAN KEENAN IN DUBLIN

THE IRISH budget, presented yesterday, introduced an unexpectedly sweeping series of tax changes, with the number of VAT rate bands reduced from five to three, the abolition of the top income tax rate of 65 per cent, and an increase in personal tax allowances.

Government backbenchers produced a chorus of "here-heres" as Mr Alan Dukes, the Finance Minister, announced that in future there would be only three income tax bands, of 35 per cent, 48 per cent and 60 per cent, instead of the present five, and that more people would qualify for the lower rates.

Much of Mr Dukes' budget was clearly aimed at curbing the flood of shoppers to Northern Ireland, which is estimated to have cost the Irish Exchequer up to I£60m (£53m) a year, and has caused serious problems for the retail trade.

It will be correspondingly bad news for towns such as Belfast, Newry, and Londonderry, which had been benefiting from the thousands of shoppers crossing the border in the last two years.

The top VAT rate of 35 per cent, which applied to a wide range of household goods, is to be abolished and VAT on these items will now be 23 per cent.

Excise duty on television sets, which were being smuggled across the border in large numbers will be halved, reducing the price of a colour set by almost I£50.

Mr Dukes was not so generous on items which cannot be smuggled. There were substantial increases in road tax, petrol goes up by 10p a gallon, and cigarettes—where there is little price differential—go up by 10p for a packet of 20.

The tax advantages enjoyed by building societies, as compared with banks, are to be reduced. The composite rate of tax which the societies pay is being increased to yield an extra I£10m in a full year and a change in the dates of payment will bring in I£32m this year.

The total tax take will rise by over I£80s, when all the changes are taken into account but, even so, Mr Dukes has had to relax the Government's targets in order to help pay for his largesse.

Exchequer borrowing in 1985 will be equivalent to 13 per cent of gross national product (GNP) compared with last year's figure of 12.6 per cent and the Government's own target of reducing the figure to less than 10 per cent of GNP by 1987.

Grains of truth in a tale of meat and oranges

BY PATRICK COCKBURN IN MOSCOW

IN THE food halls of the central market near the Kremlin, meat sells for the equivalent of £8 a kilo, a free market price.

If you brave the crush in the state meat and fish shop 30 yards further up Tsvetnoy Boulevard, less well butchered meat costs £1.90 a kilo.

The variation in price between the ordinary shops, where meat is subsidised by at least 50 per cent and the free markets is typical of the quirks in the Soviet distribution and retail system.

For even if fod supplies were better, the pricing system would still produce shortages. Since 1962 real incomes have risen 70 per cent, but meat prices have remained the same. The yearly subsidy for meat and milk products is over £40bn.

Basic fod supplies have improved in the last two years as a result of thefod programme started in 1982: Production of meat, mainly beef and pork, rose to 16.7m tons last year, compared with an average of 14.8m tons in 1976-80, and output of milk and eggs also rose.

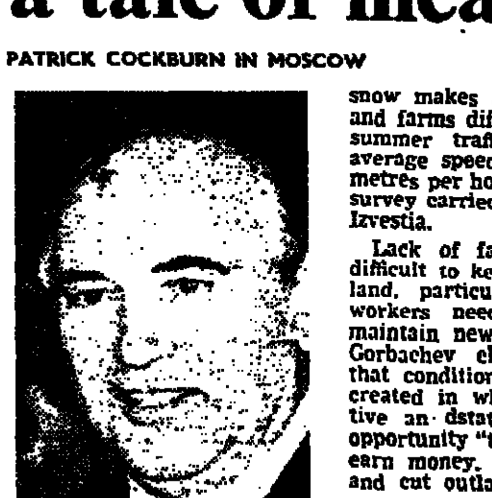
This success has been achieved even though grain harvests have been poor. Last year total grain production is estimated at 170m tons compared with a target of 240m tons. Grain purchases abroad of about 50m tons, costing up to $8bn, will probably be needed.

The grain imports are used for animal feed, not human consumption, as the Politburo appears to have decided that the amounts of meat and dairy products available to teh consumer must be increased, whatver the state of the harvest.

The high cost of grain imports is not the only price that the Soviet economy must pay for this policy. Domestic agriculture absorbs one-third of total capital investment.

Soviet leaders, notably Mr Mikhail Gorbachev, number two in the Politburo and its agricultural expert, continue to lament the fact thta although agricultural investment is so high, grain production for animal feed is still failing to meet targets.

The problem is organisation as much as funding, he says. Infrastructure in the countryside, which was very backward before the 1917 revolution, and was afterwards bled of manpower for industrialisation, is very weak.



Mr Mikhail Gorbachev

Roads, where they exist, are often of poor quality. In winter snow makes access to villages and farms difficult and even in summer traffic moves at an average speed of only 25 kilometres per hour, according to a survey carried out by the daily Izvestia.

Lack of facilities makes it difficult to keep people on the land, particularly the skilled workers needed to use and maintain new machinery. Mr Gorbachev claimed last year that conditions had now been created in which every collective an dstate farm had the opportunity "to increase output, earn money, raise profitability and cut outlays."

People needed, he said, to sense a direct dependence between their labour and their pay. If they are beginning to do so, the results are slo wto appear, although some advances have been made.

Other agricultural sectors have shown a fall in output which cannot be explained by last year's poor weather conditions. Produce of cotton, for instance, has fallen from almost 10m tons in 1980 to 8.6m tons last year.

It is understandable that Soviet leaders sound so frustrated by the limited impact of their investment in agriculture. Even a small increase in the efficiency of processing, storage, packing and distribution would lead to major dividends.

The breakthrough in productivity that Mr Gorbachev and others have looked for has not come and there are few indications that it will in the immediate future.

And although it is unlikely that Soviet consumers will ever find that they cannot buy meat, the same cannot be said of mandarin oranges. Before Christmas they cost £3 a kilo in the subsidised market and £5 in the free market. Last week, the latter price had risen to £8—but there were none on sale.

FINANCIAL TIMES, USPS No. 190640, published daily except Sundays and holidays. U.S. subscription rates $420.00 per annum. Second class postage paid at New York NY and at additional mailing offices. POSTMASTER: send address change to: FINANCIAL TIMES, 14 East 60th Street, New York, NY 10022.

Peking broadens areas for offshore oil exploration

BY MARK BAKER IN PEKING AND IAN HARGREAVES IN LONDON

CHINA yesterday offered a further 93,000 sq km of its offshore waters for exploration by the oil industry, amid indications that foreign interest in China's oil prospects may be flagging.

In addition to the announcement of licensing areas, three important developments occurred yesterday in the Chinese oil scene:

● Officials of the China National Offshore Oil Corporation (CNOOC) said that the terms for foreign oil companies operating in China would be more generous in the future.

● Some 22 companies have so far bought geophysical rata on areas announced for exploration last November, in the first phase of the second round of licensing.

● A consortium of four oil companies — Agip of Italy, Chevron and Texaco of the U.S., and Nanhei East Oil— announced they had found what looks like a small reserve of heavy, waxy crude in the South China Sea.

CNOOC also anounced yesterday that it is shortly to open an office in London, to represent its interests and maintain contact with the North Sea industry. CNOOC already has overseas offices in Hong Kong and Houston.

All these developments point to the fact that China is viewing with increased urgency the need to secure some tangible success in its offshore exploration efforts.

Foreign oil companies had urged CNOOC not to delay the second phase of the second round of licensing, in order to encourage rigs to stay offshore China and yesterday's announcement appeared to eb a response to this pressure.

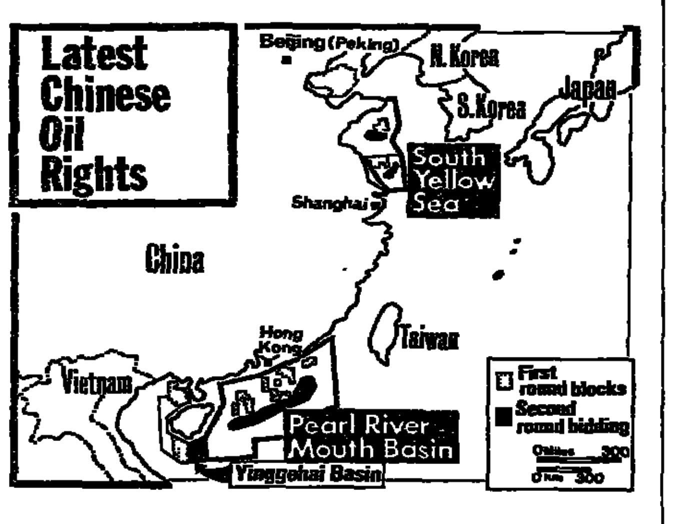
CNOOC said it was offering 18 new blocks—12 in the Pearl River Basin in the South China Sea and six in the South Yellow Sea. So far about 20 wells have been drilled in the South China Sea, of which CNOOC says five showed hydrocarbons, and two in the South Yellow Sea, of which one was positive.

Foreign companies interested in these areas have until February 15 to acquire bidding documents and until March 15 to purchase geophysical data.

The deadline for buying geophysical data from the previous phase of licensing passed yesterday, with 22 companies so far committed. Among them is British Petroleum, which has engaged in a major but so far unsuccessful China programme. About 40 companies took part in the first round of bidding.

Chen Bingqian, a spokesman for CNOOC, said that negotiating terms for the next phase of licensing would be substantially more flexible, to encourage the exploration of smaller and less promising areas.

The announcement from the Agip consortium, however, confirmed the frustrations of the oil industry in China. There has been a good deal of excitement about the group's Huizhou well, which was drilled to a depth of almost 9,000 feet. The consortium confirmed that oil had flowed at two levels of drilling—at rates of 968 b/d and 1,621 b/d, but said the oil recovered from both zones had a high wax content



Unproductive drilling dampens companies' enthusiasm

BY DAVID DODWELL, RECENTLY IN GUANGZHOU

CHINA'S oil industry officials, sobered by a fruitless two-year search for a commercially viable oilfield in the South China Sea, are watching anxiously this week to gauge the response of foreign oil companies to the latest round of exploration licensing.

There are indications that the disappointments of the past two years, coupled with restlessness over the terms on cost and profit sharing offered by China, will discourage companies from participating in the second round of bidding. In the first round, two years ago, 40 oil companies asked for bidding documents. Fewer companies are expected to come forward this time.

According to officials in Peking yesterday, 22 companies have so far purchased geophysical data for the first phase of round two — just 24 hours ahead of the deadline

This recalcitrance is partly because of the lessons learned from drilling operations since 1983. Oil executives in Guangzhou say their findings confirm oil-bearing rock formations, but they now rule out the possibility of super-large fields similar to those in the Middle East. They fear the oil will be deeper, and more expensive to recover.

Chinese officials have so far refused to admit pessimism, though the extravagant hopes of two years ago have evaporated. They note that while no commercial oil discoveries have been made, companies like British Petroleum have found traces of oil in several of the eight wells they have drilled. Five of the 20 wells drilled in the South China Sea have shows of hydrocarbons, they say.

In a bid to revive flagging interest in the second round, the China National Offshore Oil Corporation (CNOOC), which is responsible for coordinating the search for oil around China's long coast, has changed the cost of down-payments for pre-bidding data to $170,000 per set, less expensive than in the past.

CNOOC officials have been warned by foreign oil companies that delays in opening up other blocks of the South China Sea for second-round bidding — particularly in the Pearl River basin—are now almost certain to result in a major hiccup in exploration activity. Yesterday's announcement was presumably designed to meet this criticism.

China badly needs to avoid delay. Many of the Government's ambitious plans for economic development in Guangdong province around the Pearl River delta, and in Hainan, are likely to be stalled until oil or gas is discovered and brought onshore. The area includes five of the 19 open cities and special economic zones which are intended to act as catalysts for China's economic modernisation.

It is a measure of China's desperate need that it has recently pressed a reluctant Total Chine into "appraisal trial production" in a small oilfield in the extreme west of the South China Sea which most oil analysts regards as non-commercial.

Similarly, Arco is understood to be deadlocked in its negotiations with the Chinese authorities on how the gas they have discovered is to be used, and how much they will earn through the sale of it. Oil and gas are priced at artificially low levels in China, making it difficult for Arco and CNOOC to agree on a formula under which exploitation of the gas becomes attractive to both sides.

CNOOC has driven a hard bargain with foreign oil companies from the outset. The companies have had to pay all exploration costs, and, after any discovery, at least 49 per cent of the development costs.

Whether CNOOC is truly prepared to offer more generous terms, as it claimed yesterday, will only become clear in March, when it invites bids, and hands out bidding documents for the first phase of round two. If it is not, then there may be many fewer oil companies drilling in the South China Sea by the end of 1985.

PULLBACK FROM LEBANON CONTINUES

Israel warns of a bloodbath

BY DAVID LENNON IN TEL AVIV

ISRAEL warned foreign diplomats yesterday that there could be a bloodbath in southern Lebanon following the planned Israeli withdrawal and laid any possible blame on the governments in Beirut and Damascus.

Mr David Kimche, director general of the Foreign Ministry, called in several ambassadors to tell them that Israel holds Beirut and Damascus responsible for whatver happens after the Israeli withdrawal, because of their refusal to coordinate the entry of Lebanese and UN forces into the evacuated areas.

Meanwhile, the Israeli army's quartermaster general, Gen. Haim Erez, reported that the pullback of equipment is going according to plan and that stage one will becompleted by February 18. Most of the heavy equipment will have been removed by the end of this week and what is uneconomical to remove will be destroyed, he said.

The restaged withdrawal to the Israeli border, which is expected to be completed by the end of the summer, should cost US$60m, the officer noted.

The Israel Army yesterday categorically denied a news agency report on Monday that its forces had fired on a carload of children in southern Lebanon, killing one. "There was no such attack," a spokesman said. He also rejected any implication that Beirut-based journalists had been especially sealed off. "Our policy since last year is that Israeli-controlled areas will be covered by Israeli-based journalists. If reporters from Beirut want to cover this area, they can come to Israel and go up to south Lebanon from there."

He said that Israel will evacuate 65 army camps, 50 outposts and 700 buildings and structures of various sorts.

● The Tel Aviv stock exchanges which experienced a dramatic reversal on Monday and Tuesday witnessed mixed trading yesterday. There were sell orders across the board with some shares falling sharply, but the volume was lower than earlier in the week and there were also plenty of buyers.

The wave of selling, in which prices of more than 400 shares fell on Tuesday, came in the wake of reports that one of the biggest traders had run into financial trouble and was being forced to sell his shares.

It appeared yesterday that the brakes were being put on the market fall and traders said they hoped the market would stabilise rapidly.

● Lebanese Prime Minister Rashid Karami said yesterday his two days of meetings in Syria produced new agreements to return Lebanese army troops to south Lebanon quickly once Israel begins its pullback, AP reports from Damascus.

The Syrian-backed Prime Minister also said there also was agreement on new measures to restore stability to Lebanon and save the country's battered economy from collapse.

Mr Karami's remarks followed a five-hour meeting with Syrian vice President Abdul-Halim Khaddam, also attended by three other Moslem members of the Lebanese cabinet.

West Bank torture alleged

THE International Commission of Jurists charged in a report released yesterday that an Israeli prison on the occupied West Bank was in fact a centre of "torture and intimidation" where "confessions are manufactured," AP reports from Geneva.

The 56-page report lists numerous instances of mistreatment ranging from deprivation of sleep to beating with an electoral cable to force confessions.

The report said the centre seemed to be aimed at "humiliation and intimidation rather tha nthe obtaning of nformaion relating to specific events."

The al-Fara'a camp, the report said, was part of Israeli efforts to control the West Bank population. It said up to 140 people at a time are being held at the camp.

Union leader quits

The general secretary of the right-wing South African Mine Workers Union, Mr Arrie Paulus, 55, announced his retirement from labour leadership at the union's annual congress on Tuesday, AP-DJ reports from Johannesburg. His successor has not yet been named.

Conference prepared

Delegates from nine African countries to the Southern African Development Coordinating Committee, which aims to break economic dependence on South Africa, yesterday prepared for a conference scheduled for today and tomorrow, AP reports from Mbabane.

Maputo rationing

The Mozambique capital of Maputo rationed electricity for the fourth time this month yesterday after sabotage blamed on the anti-Marxist Mozambique National Resistance knocked down power lines running into the city, AP reports.

Reuter adds: Swaziland has suspended its rail traffic with Mozambique following an ambush on the line running to Maputo, Swazi officials said today. A railway spokesman said the ambush took place on Sunday and traffic had been halted since Monday.

Gandhi wins seats

Mr Rajiv Gandhi's ruling Congress I Party yesterday added two more seats in Parliament to its strength, taking its total to an impressive 402 which is roughly four-fifths of the total house of 527, K. K. Sharma reports from New Delhi. One of them was for Bhopal, the city hit by the poison gas tragedy.

Malaysia row settled

The protracted power struggle within Malaysia's largest Chinese party, the Malaysian Chinese Association, was settled yesterday with the signing of a peace pact by the two rival factions, Wong Sulong reports from Kuala Lumpur. Under the agreement, the party will take back the 14 leaders sacked by the party's acting president, Dr Neo Yee Pan, last March, in return for a pledge by Mr Tan Koon Swan, the dissident leader, not to challenge Dr Neo's leadership at party elections to be held in May.

FAO reports on Ethiopia

BY JAMES BUXTON IN ROME

A REPORT by the United Nations Food and Agriculture Organisation (FAO) on Ethiopia, large parts of which are suffering from severe drought and famine, says that the poor performance of the country's agriculture is not due only to "natural adversities" or "external factors."

The report, which puts forward a large number of projects for the rehabilitation of Ethiopian farming, says that government policies, a poor distribution system for farm inputs and problems in marketing and pricing farm produce are among those factors which are to blame. It does not, however, devalue the effects of the successive failure of rainfall.

The FAO yesterday invited aid donors from the OECD countries to finance projects whose total cost has been estimated at $126m. They include emergency measures, such as the provision of seed for new crops and a scheme to boost the number of oxen

The report does not mention the Ethiopian Government's large and controversial scheme now under way for resettling 1.5m of the 7.7m people affected by famine in other parts of the country.

China warns Vietnam of military reprisals

By Mark Baker in Peking

CHINA HAS sharpened its threats of military reprisals against Vietnam amid signs of worsening tension along their border.

A Chinese Foreign Ministry spokesman said yesterday that troops stationed along the Sino-Vietnamese frontier were "in combat readiness to repulse the aggressors."

The statement came only a day after Mr Wu Xeuqian, the Chinese Foreign Minister, said in Singapore that China reserved the right to repeat its 1979 invasion of Vietnam.

Peking and Hanoi have been trading accusations about border attacks and provocations for several weeks and Western diplomats suspect China may be contemplating a show of strength

For several years there has been a spate of border skirmishing and artillery clashes coinciding with Vietnam's dry season offensive against the Peking-backed resistance forces in Kampuchea.

Western analysts believe China is not prepared militarily or politically to risk a repeat of the month-long 1979 war, in which it lost an estimated 20,000 troops, but they believe the Chinese are keen to maintain pressure on the Vietnamese.

Vitnam claimed earlier this week that China had massed 30 divisions on the border— as many as in the 1979 invasion—and that an extra 400 combat planes had been deployed to take China's airborne border force to more than 1,000 planes.

The Chinese Foreign Ministry spokesman did not deny the allegations of the military build-up during a briefing for correspondents yesterday.

● United Nations Secretary General Javier Perez de Cuellar said today "modest progress" had been made in the search for a peaceful solution to the Kampuchean problem but much remained to be done, Reuter reports from Hanoi.

Prince Norodom Sihanouk, president of the Coalition Government of Democratic Kampuchea (CGDK) has arrived in Thailand for discussions on Kampuchea with Sr Perez de Cuellar who was due back from Hanoi

Thais face austerity as deficits mount

By Chris Sherwell and Boonsong K'Thana in Bangkok

THAIS FACE a renewed bout of austerity both this year and next as the Government tries to straighten out its troubled domestic finances through cuts in spending and increased taxes.

This, according to independent economists and western bankers in Bangkok, is the stark implication of statements made earlier this week by Mr Sommai Hoontrakul, the powerful Finance Minister.

Mr Sommai said the budget for fiscal year 1985-86, starting in October, would show zero growth from the current year's —the first time in at least a decade that this will have happened. This year's total expenditure is targeted at Baht 213bn (£7bn) and cuts are now being talked about even in this figure.

The disappointing news follows last November's controversial 14.9 per cent devaluation of the Baht, which was aimed at containing equally tricky problems in the external accounts, notably a large trade deficit and a persistent current account deficit.

According to economists, the Thai Government's revenues this year are already falling below target by up to Baht 15bn, apparently because of low imports and the general impact of the world recession.

This shortfall could increase this year's budget deficit c: Baht 35bn to Baht 50bn unless action is taken. The clear inflationary effect of such a deficit and of the devaluation could in turn erode the trade benefits of the currency adjustment.

On the spending side, recurrent expenditures will prove difficult to contain because the devaluation has pushed up repayments on Thailand's foreign debt. This was already one of the largest items in budget.

Subsidies for state enterprises may also be slashed, although the more serious problem for the Government is their uncontrolled spending and lack of profitability.

Spending cuts are therefore certain to hit development spending most strongly. This is likely to mean curbs on military hardware purchases, a potentially controversial issue, and delays in parts of the ambitious eastern seaboard industrial development.

AMERICAN NEWS

Baldrige warns over $123bn trade deficit

BY STEWART FLEMING IN WASHINGTON

THE U.S. merchandise trade deficit hit a record $123.3bn last year and is destined to rise to new peaks in 1985, Mr Malcolm Baldige, Commerce Department Secretary, said following the release of the December trade figures yesterday.

Mr Baldrige coupled his warning about the trade outlook for 1985 with a plea for action to curb the federal budget deficit.

"The dollar's strength reflects an hospitable climate in the U.S. for investment and a solid performance in restraining inflation, but at the same time our import competing and export industries are being hurt," he said.

Progress in reducing the federal budget deficit would help to lower interest rates and the exchange value of the dollar," he added.

Mr Baldrige's comments reflect deepening concern about the impact of the rapidly deteriorating trade position on the economy as a whole, as well as particular industries and companies.

Many economists fear that a further rise in the trade deficit this year, as a result of the strong dollar and continued expansion of domestic demand, will be a drag on the growth of the economy.

Although the trade deficit for the year jumped to $123bn from $69bn in 1983, December's deficit at $8.2bn was the lowest monthly figure for a year which saw the monthly total peak at $14bn in July.

The December improvement was attributed in part to a 14 per cent decline in the value of petroleum imports last month and to the fact that many companies were trying to cut their inventories, reducing import demand. The November trade deficit was $9.9bn.

The surge in U.S. imports over the past two years has been an important factor contributing to some improvement in the economies of several of America's trading partners.

Major industrial countries have reported striking surges in exports to the U.S. The U.S. trade deficit with Japan hit $36.8bn in 1984 (1983 $21.7bn); Canada $20.4bn (1983 $14.3bn); Taiwan $11.1bn (1983 $7.4bn) and West Germany $8.7bn (1983 $4.5bn).

The U.S. ran a $2.8bn trade deficit with the UK last year, slightly up from $2.3bn

Fears about the impact of the trade deficit on U.S. industry have already sparked a more vigorous approach to international trade negotiations and signs of an intensification of protectionist pressures.

● Productivity in the U.S. in the fourth quarter rose at an annual rate of 1.7 per cent as output recovered from the weak third-quarter performance, the Labour Department reported.

For the whole of 1984 nonfarm productivity rose by 3.1 per cent, slightly below the 3.5 per cent rise in 1983 as the cyclical upswing gathered pace, but well above the 0.8 per cent average annual rise between 1973-83.

Howe offers guarantees about Belize protection

BRITAIN HAS confirmed its commitment to retain a military presence in Belize as long as is "appropriate," *writes Robert Graham.*

The renewed commitment was given yesterday by Sir Geoffrey Howe, the British Foreign Secretary, to his Belizean opposite number Mr Dean Barrow who is on a four-day visit to the UK.

Mr Barrow, in the first top level contact between Whitehall and the new Belize Government after last month's general elections, sought guarantees about the presence of the British garrison.

There are about 16,000 army and air force personnel in Belize as a part of a defence arrangement to protect the country against Guatemalan claims.

The British Government wishes to end its military commitment which costs £30m a year.

Rabin confident of $1.8bn aid from U.S.

By Reginald Dale, U.S. Editor in Washington

MR YITZHAK RABIN, the Israeli Defence Minister, yesterday said he was confident that President Ronald Reagan would propose increasing U.S. military aid to Israel to about $1.8bn (£1.6bn) in the coming fiscal year that starts on October 1, an increase of $400m over this year's level.

After talks with Mr Reagan at the White House, Mr Rabin said he also hoped for additional economic aid above this year's $1.2bn total, but that the U.S. had not yet made a decision.

Washington has told the Israelis that it wants further details of how they plan to cope with the country's economic problems before finalising a new offer of economic aid, which Israel wants increased to $1.9bn.

Mr Rabin said the increase in military aid was "not exactly what we wanted," given that Israel had originally asked for $2.2bn, but that he was satisfied with the outcome. As for the economic aid request, he said that he had sensed "a positive attitude" on the part of the President."

Meanwhile, Administration officials said that a decision had been deferred on the proposed sale of 40 F-15 fighters and other sophisticated weapons to Saudi Arabia, following Congressional opposition.

Mr Rabin yesterday also repeated Israeli opposition to a direct role for the Soviet Union in the Middle East peace process.

Kirkpatrick confirms return to private life

MRS JEANE Kirkpatrick, the controversial U.S. Ambassador to the United Nations, yesterday ended weeks of speculation about her future by announcing that she would resign her post from March 1 and resume her private career as an academic and writer.

After a meeting with President Ronald Reagan at the White House, Mrs Kirkpatrick refused to reveal whether he had offered her another job in his Administration, as he had earlier said that he would.

Bipartisan protest over Reagan's farm Bill

BY NANCY DUNNE

REPUBLICAN and Democratic farm state Senators appeared at an emergency public meeting on Capitol Hill yesterday to sound a bipartisan alarm over the U.S. farm debt crisis and to declare nearly unanimous opposition to the Administration's coming proposals for deep cuts in farm spending.

"I'm not afraid to tell the Administration that they're wrong when they want to take funding from the farmers to subsidise the Pentagon," said Mr Charles Grassley of Iowa, a Republican Senator.

"We're going to use our system of checks and balances to check this President from eliminating the farm programme."

The next 30 days are critical to farmers, who must get loans for spring planting, the Senator said. If the farm debt isn't restructured to make credit available, farm banks will go under causing a "ripple effect to the economy that will shake the banks in the big cities as well."

Democratic Senator Mr Tom Harkin, said: "There is a screw loose somewhere. The economy is booming and agriculture is dying . . . my state of Iowa is dying."

During the great depression, he said, Iowa lost 7.8 per cent of its farmers in six years. This year in Iowa 10 per cent of all farmers may go under—12,000 farmers and their families.

The Senators agreed that farm banks need an immediate infusion of capital, which the President could supply under existing laws.

"With a stroke of the pen, President Reagan can order the small business administration to go out on the farms right now and give 4 per cent loans over 20 years," Senator Harkin said.

Mr Charles L. Frazier, Washington Director of the National Farmers Organisation, warned of staggering equity losses, whole states without income from farming and ranching, and a growing number of bank failures.

He complained—as did other speakers—of Department of Agriculture delays in implementing President Reagan's much-heralded Emergency Farm Credit Programme announced before the election.

Of the 79 U.S. bank failures last year, 26 were agriculture banks, and more collapses are imminent, said Mr A. J. King, President of the Independent Bankers Association of America.

Hundreds of banks across the farm belt have "very little remaining capacity to absorb losses from bad farm loans."

He recommended a greatly expanded Government loan guarantee programme to enable lenders to extend maturity dates and ease repayment terms on existing loans.

Federal assistance in this area is fully justified, particularly in view of the heavy burden on the agricultural economy due to huge federal budget deficits, the high real interest rates, and the grossly overvalued U.S. dollar."

Feature, Page 10

Export earnings fall worsens Chile debt crisis

BY MARY HELEN SPOONER IN SANTIAGO

CHILE is facing a severe financial crunch this year, as General Augusto Pinochet's economic team undertakes a last-ditch effort to obtain sufficient foreign financing to cover an anticipated $1.7bn current account deficit.

An International Monetary Fund delegation is due in Santiago next week, the third visit since November, but so far Chilean officials have not even presented a coherent economic plan for this year. A two-year standby agreement with the IMF expired early this month.

The tussle with the Fund is similar to the one Chile experienced last year. The Santiago authorities are anxious to stimulate growth through higher public spending, inorder to offset the political risks of continued high unemployment and declining living standards.

So long as Gen Pinochet is obliged to hold down the country under a state of siege—and it seems likely that this will be renewed next week—it is essential to provide someeconomic compensation. Last year, however, a small recovery was overshadowed by the downturn in the international price of copper.

Delays in talks with the IMF seem to have been exacerbated by problems in the administration. Critics of Chile's flamboyant Finance Minister, Sr Luis Escobar have accused him of dedicating almost as much time to internal Government politiking as to the country's financial crisis. Tensions between Sr Escobar and Sr Modesto Collados the Economy Minister, came out in the open late last year, giving rise to speculation of an impending Cabinet reshuffle.

Chile's ambassador to the Organisation of American States (OAS), Srta Monica Madariaga, has resigned after saying in an interview that she had differences with President Augusto Pinochet, the Government announced, Reuter reports from Saniago.

The Foreign Ministry said the resignation had been accepted with effect from February 1.

Srta Madariaga, a relative of the President and close confidant during his 11 years in power, had served as Justice Minister and Education Minister

Her friends said they believed she had been upset by some of the measures taken since General Pinochet imposed a state of siege in Chile

Gen Pinochet has put Sr Collados in charge of all economic policy, a reversal of the previous Cabinet arrangement under which the Finance Ministry held the upper hand. In an apparent effort to dampen further squabbling within his economic team, Gen Pinochet recently appointed an army colonel, Enrique Seguel, as President of the central bank, along with two other army officers as deputy Economy and Finance Ministers.

Shortly before Christmas the Finance Minister sent a telex to more than 300 creditor banks requesting a six month postponement of payments on $500m in debt due by March this year. The telex also requested $1.7bn in short-term commercial financing during this period, noting that preliminary rescheduling talks had barely begun.

At the end of last year it was clear that Chile's economic situation was much worse than anticipated. A hoped-for $1bn trade surplus did not materialise and the year-end surplus of less than $300m did not include freight and shipping charges for imports, which would indicate a trade deficit.

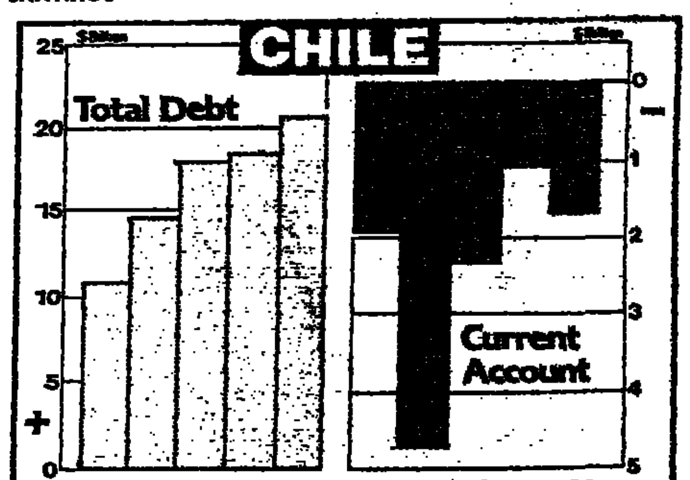
One banker in Santiago said: "On visible goods, Chile is running a deficit. What kind of creditor is going to stand for that? Chile is paying zero principal and earning zero funds to pay interest."

Sr Escobar has estimated that Chile will obtain at least $500m from the IMF and other multilateral institutions this year, another $200m in foreign investment and $1bn from foreign commercial banks—a figure which makes many private economists sneer. Last year Chile received only $780m from Commercial banks.

Sr Alejandro Foxley of the independent economic research institute Cieplan estimates that Chile faces a financing shortfall of at least $2bn, in addition to the portion of foreign debt it wants to reschedule this year.

"Part of this adjustment could be undertaken by further restricting consumption and by devaluing the currency," he said.

Sr Escobar has defended the $1bn borrowing target, noting that the 1984 loan package of $780m was based on an estimated average price for copper of 75c per pound and interest rates of 9.5 per cent. Had Chilean authorities known the year's average world copper price would be only 61c per pound and that interest rates would rise sharply, he said, the country would have sought double the amount of new commercial loans.



Whatever additional foreign financing Chile receives this year, the delay in debt renegotiation has not helped matters. A total of approximately $2.2bn falls due this year. If Chile does manage to sign a Letter of Intent with the IMF next month, and then begin negotiations with its commercial creditors, it will still come dangerously close to the March deadline.

The IMF is likely to insist that Chile keep its international reserves at the current level of around $2bn, that a realistic exchange rate be established, and that the authorities put an end to subsidies such as the preferential dollar mechanism.

Under this system the central bank allows domestic debtors to repay dollar-denominated loans at a subsidised exchange rate contracted when the Chilean peso was set at a fixed rate of 39 to the dollar. The peso's present commercial rate is 128 to the dollar.

This last measure has enabled the Pinochet regime partially to curb political dissatisfaction among key interest groups, such as Chile's independent truckers. The powerful truckers' federation, which supported a short-lived general strike against the regime in 1983, estimates its members' dollar debts at $180m.

The solutions which the IMF will impose upon Chile as the price of its continued financial support will almost certainly be tough. Gen Pinochet himself and his new economic team seem prepared to accept this. But there will be no financial carrots to ease unemployment. The poor, and the regime's supporters among the middle class, may well find themselves even more squeezed.

WORLD TRADE NEWS

Japanese trade and payments surpluses reach dizzy heights

BY JUREK MARTIN IN TOKYO

JAPAN'S balance of payments and trade surpluses set all sorts of records last year, according to figures released here yesterday by the Ministry of Finance.

That this would be so has been evident for a long time. But both the surpluses aod the long-term capital outflow were rendered that much bigger by the similarly record-breaking monthly returns for last December.

Over 1984, the balance of payments on current account amounted to $35.02bn (£31.8bn) compared with the previous high of $20.80bn of 1983. The surplus on merchandise trade came to $4.35bn, topping the $31.45bn of 1983.

In December alone, the current account and trade surpluses set new records of $4.76bn and $5.25bn respectively, exceeding the previous peaks set in June and September last year.

The long-term capital outflow is mostly to the U.S. and, in the Japaese view, helps explain why the yen has not been able to appreciate against the dollar. Over the full year, it amounted to $49.83bn, nearly three times the previous record outflow of $17.70bn of 1983. In December an unprecedented $8.40bn net of long-term money left Japan.

The merchandise trade surplus reflects a 15.7 percent increase in exports in 1984 to $168.27bn and an 8.7 per cent advance in imports to $123.92bn. Shipments to the U.S. up about 40 per cent on the year and accounting for about 70 per cent of the global increase in exports, were the principal factor.

The considerable widening of the trade gap appears to fly in tahe face of predictions made a year ago by the Japanese Government, which saw imports keeping pace with rising exports, as the domestic economy picked up.

E. Germany 'in trade deficit with OECD countries'

BY LESLIE COLITT IN BERLIN

EAST GERMANY last year is estimated to have run up its first deficit in trade, albeit small, with OECD countries (excluding West Germany) since 1981 after three years of large surpluses which were used to reduce its hard currency debt to $4.2bn (£3.8bn).

At the same time it became the first Comecon country to begin reducing its sizeable debt to the Soviet Union by achieving an export surplus in trade with Moscow.

The German Institute for Economic Research (DIW), which reported these trends, said East Germany was able to obtain $900m in Western loans last year while boosting its deposits in Western banks from $3.4bn in 1983 to $4.2bn. DIW said this appeared to indicate that East Germany preferred "liquidity over profitability" after the difficult economic problems it has encountered in recent years.

In its Customs free trade with West Germany, East Germany achieved a surplus of DM 1.3bn (£370,000) in 1984 which permitted it to reduce its cumulative debt to West Germany to about DM 3bn.

DIW said East Germany was the only Comecon country last year to achieve a surplus in trade with Moscow, thus fulfilling a Soviet demand made at the Comecon meeting in East Berlin two years ago. Moscow said then that continued deliveries of fuels and raw materials to Eastern Europe would have to be paid for with goods and not through growing deficits.

Between 1975 and 1983 the East German trade deficit with Moscow amounted to 15.3bn East German marks which, in effect, was a Soviet credit to East Berlin. Last year's East German surplus of 600m marks in trade with Moscow was the result of a 13 per cent rise in exports to the Soviet Union and a 7 per cent increase in imports.

David Lennon, in Tel Aviv, on the near completion of a pact to lift bilateral barriers

U.S. and Israel prepare duty free deal

THE FREE Trade Area (FTA) agreement which is about to be completed between the U.S. and Israel is the most far-reaching trade liberalisation agreement in U.S. history and opens up "a vast sea of opportunity" for Israeli producers, according to a former Israeli Trade Minister.

The accord, which will remove all trade obstacles between Israel and the U.S. over the next few years, including tariffs and quotas, is expected to be finalised very soon, and to be implemented within a matter of months.

Once in operation, it will mean that Israel will be the first country in the world to have duty free access for its industrial products to both the European Economic Community and the U.S.

Secret negotiations on the agreement began in 1982 with an exchange of working papers between the Israelis and the Americans. Technical talks started in August 1983.

Mr Gideon Patt, Israeli Minister of Industry and Trade, when the talks began, says the early discussions were kept secret at the request of the Americans. They were only made public in November 1983 during a visit to Washington by Israel's then Premier Mr Yitzhak Shamir.

Intensive negotiations began early last year, and, despite being delayed by disagreements over the pace of Israel's removal of tariffs and its subsidies to exports, they are now in their final stages following compromises by both sides.

The Free Trade Area agreement will give Israel tariff-free treatment for products not covered by the Generalised System of Preferences (GSP) understanding as well as secure more predictable treatment for the 2,500 products on the GSP list.

At present about 90 per cent of Israeli exports to the U.S. enter duty free either under the Most Favoured Nation clause of the General Agreement on Trade and Tariffs (55 per cent) or under the GSP (35 per cent). While MFN concessions are relatively permanent, GSP items are vulnerable to loss of duty free benefits under specific circumstances.

In addition, the GSP list does not include: certain agricultural products; textile yarns and fabrics; pharmaceuticals and chemicals; basic metal products; and electronic components.

The FTA will lift remaining restrictions and eliminate the uncertainties involved in the GSP. This is vitally important for Israel because the U.S. is Israel's second largest trading partner after the EEC.

The U.S. accounts for about 20 per cent of Israeli exports and 22 per cent of imports. The ten nations of the EEC take 37 per cent of Israel's exports and provides 33 per cent of its imports.

Israeli sales in volume and value to the U.S. have been rising for a number of years because of the strength of the dollar relative to the weakness of the European currencies. Exports to the U.S. in 1984 were some $1.5bn (£1.36bn) more than 10 per cent up the previous year.

Under an Israel-EEC agreement concluded in 1975, Israeli exports have been enjoying zero-tariff status for several years, but Israel does not have to grant reciprocal easements to Common Market countries until 1989. Today EEC exports to Israel are granted only a 50 per cent reduction in tariffs.

The Israeli-U.S. pact is expected to guarantee freedom of movement of goods, services and agricultural produce. This means that not only industrial products will be able to penetrate the markets, but also services such as insurance firms and travel agencies.

The EEC pact provides only for the free movement of industrial goods. In addition, Israeli oranges are subject to an EEC tax which will make it difficult for them to compete with the Spanish citrus when Spain joins the Common Market next year.

About 40-45 per cent of U.S. exports to Israel are affected by duties averaging about 10.5 per cent. These tariffs will be removed in three stages: as soon as the agreement goes into effect; in 1989 when Israel reaches zero tariffs with the EEC; and in 1995 for a group of commodities in which Israeli producers are particulrly vulnerable.

Opposition in the U.S. to the tariff concessions came from the textile industry, some unions and various farming groups, especially the growers of tomatoes, citrus, roses, garlic and onions. They all feared that they will lead to similar agreements with other countries.

One of the major stumbling blocks to the signing of the agreement was U.S. objections to the Israeli government subsidies to its exporters. Israel is not anxious to confirm the level of export subsidies, but most estimates put it at between 15 and 20 per cent.

In a compromise, it is understood that Israel will remove the governmental subsidies to export industries, while the U.S. is prepared to ease its protection of the American textile industry and agriculture.

Most Israeli exporters welcome the advent of the FTA as a major opportunity to expand their sales to one of the world's major markets. Producers for the local market are less happy, many of them fearing the competition from, and possible dumping of, U.S. goods.

However, government officials here see a great deal of potential for Israel under the FTA which they believe will compel Israel to achieve the highest standards of production and give it greater expertise in producing for the world market.

Mr Patt notes that if Israel can capture even as little as 2 per cent of the U.S. import market, it will increase annual exports from some $5bn to $6bn within a few years. This would solve Israel's trade deficit and cover the current account deficit in the balance of payments.

THE CANADIAN Government has published an official discussion paper which outlines the benefits of closer trade ties with the U.S., writes Bernard Simons in Toronto.

The prospect of negotiations on further trade liberalisation is expected to be raised when President Reagan meets Mr Brian Mulroney, Canada's Prime Minister, in Quebec City on March 17. But the scope of future talks remains uncertain, and the discussion paper merely sets out a number of options.

Canada and the U.S. are the world's and each other's biggest trading partners. Canada's purchases from the U.S. reached C$34.9bn (£23.7bn) in the first six months of 1984, 73 per cent of total imports. Exports south of the border stood at C$41.8bn, almost 77 per cent of total Canadian exports.

Options proposed in the Government's discussion paper include further sectoral or non tariff arrangements, a comprehensive bilateral trade agreement and, as an interim measure, a "framework agreement" to facilitate progress towards substantive trade liberalisation.

Canadian businessmen, especially in the resource based western provinces, have become active advocates of freer trade with the U.S. in the past few years. Manufacturers are increasingly confident of their ability to compete in the U.S. market.

Talks began in 1983 to liberalise trade in four sectors: speciality steels, farm equipment, information services and urban transit equipment. The two countries recently celebrated the 20th anniversary of the so-called Autopact, which provides for free trade in motor vehicles

The new Conservative Government in Ottawa appears eager to open discussions over a wider front. Mr James Kelleher, International Trade Minister, said: "Canadians need to explore urgently and with the greatest care how best to secure and enhance access to the U.S."

Eutelsat to order three spacecraft

By David Marsh in Paris

A TUSSLE for satellite orders between French aerospace groups is in store as a result of a decision by Eutelsat, the European satellite communications organisation, to order three medium-sized telecommunications spacecraft for launching at the end of the decade.

Eutelsat, which has already launched two satellites and plans to put up a third one in August, will start the tender for the next generation by submitting requests for proposals from international satellite groups early next month.

Officials at the French state-owned Aerospatiale group confirmed yesterday that the company would be bidding for the contract in asssociation with Messerschmitt Boelkow Blohm of West Germany. Marconi of Britain and Thomson of France may also be involved.

On the basis of present prices for medium-sized satellites, the Eutelsat contract is expected to be worth around $150m (£136m).

Matra, the other French satellite manufacturer, is also expected to be interested in bidding. Along with British Aerospace, Matra has built the first three ECS Eutelsat craft in contracts originally arranged through the European Space Agency.

U.S. satellite companies such as Hughes and RCA may also bid for the deal, but probably only in asssociation with European groups.

Eutelsat, owned by 20 European telecommunications authorities, leases transponders on its satellites for telephone, television and business communications services.

The new series of spacecraft, planned to be launched from 1989 onwards to replace the present ECS units at the end of their seven-year life, will have great capacity, with 16 operational transponders.

Eutelsat is reserving the option of ordering two additional transponders if needed to respond to higher demand.

The French Government in the past has failed to persuade Aerospatiale and Matra to pool resources in bidding for satellite deals. The two groups are also currently in competition—along with Hughes and RCA—in bidding for a communications satellite order from China.

Young picks delegation for China

BY CHRISTIAN TYLER, TRADE EDITOR

LORD YOUNG, Minister without Portfolio, yesterday announced the composition of the team of UK industrialists which will visit China next month in the hope of boosting trade and investment links.

The visit was proposed by Mrs Margaret Thatcher and Zhao Ziyang, the hCinese Prime Minister, when the British Premier went to Peking last month to sign the agreement transferring Hong Kong's sovereigntly to China

The mission which will be received by Mue Chen Muhng, the Minister for Foreign Economic Relations, will consist of chairmen, chief executives or senior directors of Babcock International, BOC Group, British Aerospace, Cable and Wireless, Davy McKee (Stockton), GEC, Northern Engineering Industries, Rolls-Royce, Sedgwick Group and Simon Engineering.

James Buxton writes from Rome: A deal under which Fiat subsidiaries would supply $250m (£227m) worth of vehicle plant components to China looks virtually certain to go ahead. The Italian Government has confirmed to China that it will assist the projects with finance.

The main plant will be a factory for the assembly of lorries supplied in kit form by Iveco, Fiat's industrial vehicle subsidiary. The plant, at Nanking, will produce 50,000 light trucks a year.

French to build $110m float glass plant in Egypt

BY DAVID HOUSEGO IN PARIS

SAINT-GOBAIN, the diversified French glass-manufacturing group, and Technip, the project engineering company, have signed a letter of intent for the construction of a $110m (£100m) float-glass plant in Egypt.

The plant, the first in the Arab world, would mainly serve growing Egyptian demand for the car and construction industries.

However, the aim is to export 20 per cent of the plant's production to the rest of the Arab world.

Construction of the plant on a turnkey basis will be carried out by Technip, with Saint Gobain providing the design and technical advice.

The French won the bid against competition that included a consortium grouping Asahi and Marubeni of Japan.

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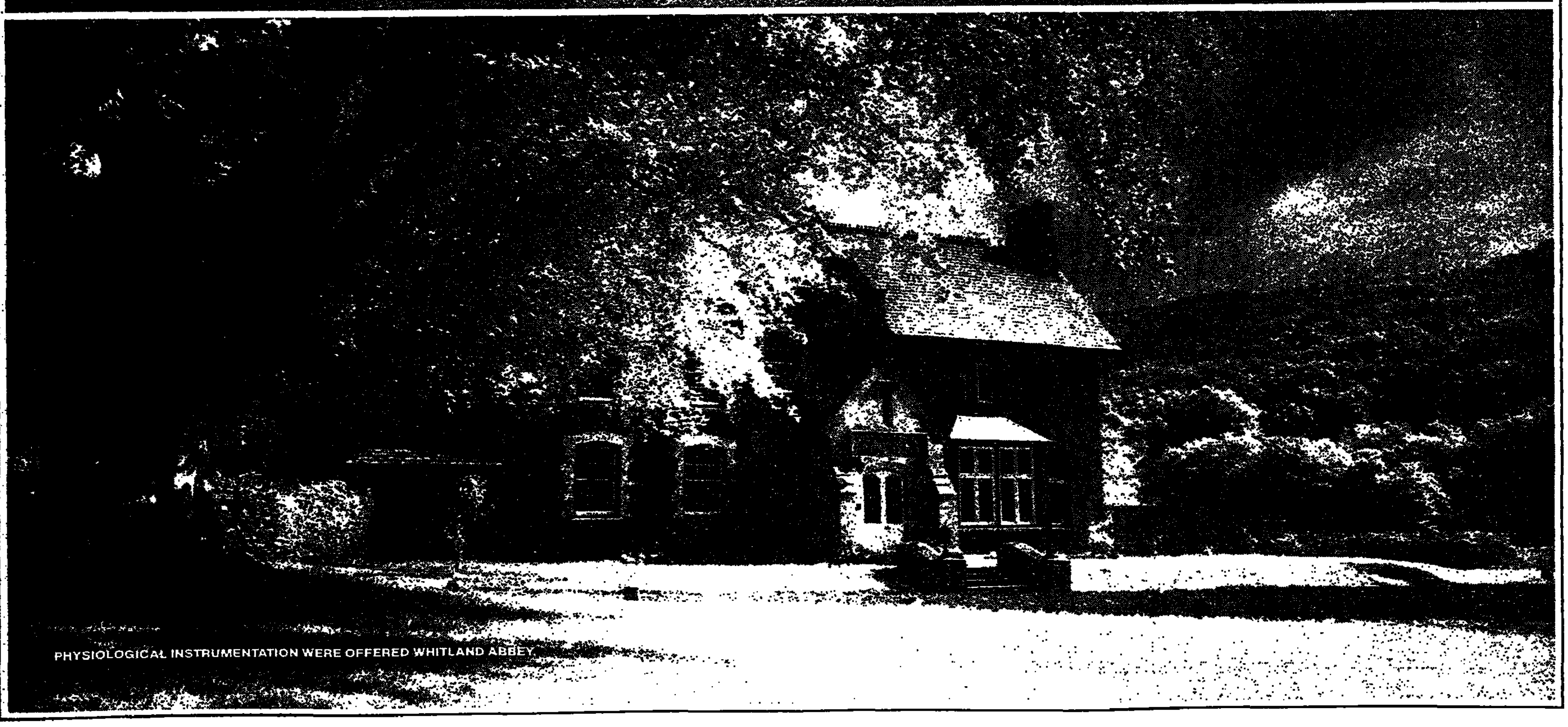


PHYSIOLOGICAL INSTRUMENTATION WERE OFFERED WHITLAND ABBEY.

Miners' leaders refuse to meet NCB demand

BY OUR INDUSTRIAL AND POLITICAL STAFF

LEADERS of the National Union of Mineworkers (NUM) yesterday rejected a demand by the National Coal Board (NCB) that it must give an assurance to discuss the closure of uneconomic pits before fresh peace negotiations can begin.

The 26-man executive of the union, meeting in London, instead reaffirmed that it wanted to meet the board without preconditions to discuss the pit strike. Mr Sid Vincent, leader of the Lancashire miners, said it had not been necessary to take a vote on whether the executive should give the board the assurance it wanted.

"We are standing firm. The ball is in the coal board's court as far as we are concerned," he said.

Last night, the Labour Party's Shadow Cabinet decided to force a House of Commons debate on the coal dispute next Monday. The precise terms of the motion will not be decided until tomorrow, but it will concentrate on the Government's alleged role in blocking talks between the NUM and the coal board.

The decision by party leaders comes after weeks of discontent within the party over the Shadow Cabinet's refusal to force a debate.

Labour leaders yesterday finally abandoned their argument that to discuss the strike, at a time of division within the NUM, could do the miners' cause more harm than good. Government attempts over the past week to block talks leading to a settlement, they claimed, meant that this was no longer the case.

The Opposition motion is expected to concentrate on four key points:

- The extent and nature of the Government's interference in the dispute.
- The lack of realism within the Government and the coal board in demanding written assurances from the miners as a precondition to talks.
- The effectiveness of the collieries review procedure before the strike began.
- The costs of the strike and the Government's responsibility in prolonging it.

The Labour leadership's decision to the debate was apparently delayed in the hope that there might be progress in establishing talks between the board and the union. But the union executive's decision not to give the assurance demanded by the board appears to leave the two sides as far apart as ever.

Mr Michael Eaton, spokesman for the board, said yesterday: "We have nothing to negotiate about if the NUM will not face the situation that management have the right, the responsibility and the duty that, if a pit is uneconomic, then it shall close."

The board said that only 98 men abandoned the strike yesterday –

It became known yesterday that more than half of the nearly £8m sent abroad last year by the NUM has now been recovered by the receiver appointed by the High Court.

The receiver yesterday paid the union's outstanding £200,000 fine for contempt of court imposed last October. The High Court had fined the union for breaking injunctions not to describe the strike as official. The union then refused to pay the fine and sequestrators were appointed by the court to recover the money, when it was discovered that the union had already transferred most of its funds abroad.

The money that has been recovered appears to have been held by Nobis-Finanz International in Luxembourg.

Mr Pefter Cresswell, QC, counsel for the receiver, told Mr Justice Mervyn Davies that the total of £4,900,586 had been recovered only afer "lengthy, difficult and complicated negotiations with various parties."

He said it would not be appropriate to make public the details of how the money was received.

Edwardes urges BTR to avoid clash over Dunlop refinancing

BY CHARLES BATCHELOR

SIR MICHAEL EDWARDES, chairman of Dunlop, made an unusual public appeal yesterday to Sir Owen Green, his counterpart at BTR, the industrial group, to avoid a head-on clash between the two companies over Dunlop's £142m refinancing plan.

Sir Michael called on Sir Owen in an open letter to inform the board of Dunlop "as a matter of urgency" whether BTR intended to vote down the refinancing package at the Dunlop shareholders' meeting on February 8.

BTR already owns 28 per cent of Dunlop's preference shares – enough to block the refinancing plan. BTR expects to post the document detailing the terms of its £33m takeover bid today.

Dunlop is keen to avoid a confrontation at the shareholders' meeting. If BTR votes down the refinancing plan Dunlop's banks, which are owed £435m by the tyre and rubber products group would, in theory, be in a position to put the group into receivership. Few people believe that BTR would risk its reputation in the City of London by going that far.

Sir Michael wrote: "It is clearly of paramount importance that the company and the shareholders should be informed at the earliest opportunity of BTR's intentions, particularly in circumstances where the reconstruction may well be supported by ordinary shareholders and all other parties involved."

Dunlop has been actively seeking the support of its shareholders. It is making more shares available to existing UK shareholders and is making efforts to rally the U.S. owners of shares amounting to 27 per cent of its equity.

A vote in favour of the refinancing package from ordinary shareholders would make it difficult for BTR to block it using its preference share holding.

Sir Michael was at pains to point out the effort that has gone into the Dunlop rescue plan. The company's board had already made important strategic decisions and entered into complex arrangements with third parties, all of which would significantly affect Dunlop's future, he said.

The General, Municipal and Boilermakers' Union (GMBU), will tomorrow distribute a six-page analysis of Dunlop's problems to the 4,000 members it claims among Dunlop's 17,000 UK workforce.

Amoco to sell fleet of road tankers

By Maurice Samuelson

AMOCO is selling its entire UK road tanker fleet and has given redundancy notices to 120 drivers.

The vehicles are being sold to Wincanton Transport, part of the Unigate Group, which has secured a contract to deliver fuel to Amoco's customers from May 1.

Amoco denied yesterday that the move was part of a withdrawal from the UK petrol marketing and refining business after years of severe losses.

"We have no present plans to withdraw from the UK, and there have been no negotiations with anyone," it said.

Amoco said it expected many of those made redundant would be offered employment by Wincanton.

Wincanton – one of the most profitable parts of Unigate, the dairy, food and non-food group – last year had more than 5,000 vehicles in its transport, contract hire and self-drive fleets.

- British Steel said it would close its Machynys engineering works in Wales at the end of March. The works employs 108 people.

Cabin crew dispute grounds flights by British Airways

BY DAVID BRINDLE, LABOUR STAFF

MOST British Airways (BA) short-haul flights from Heathrow airport, London, were grounded yesterday by a dispute over whether cabin crew should serve hot breakfasts on board BAC 1-11 aircraft.

Talks were taking place last night in an effort to solve the dispute and prevent cancellation today of almost all BA's domestic and European services.

The dispute, which has not affected long-haul flights, began early yesterday with the suspension of two cabin crews. All Heathrow-based short-haul crew then stopped work, leaving the state-owned airline to run what services it could with some staff stationed elsewhere and with charter aircraft.

BA's 1,800 short-haul cabin crew have a reputation for militancy and the airline has been braced for this type of disruption this year in the sensitive run-up to privatisation.

The dispute was sparked off by the transfer of BAC 1-11 aircraft to "super shuttle" services. These services are usually operated by Boeing 757 or Trident aircraft, but the BAC 1-11 types are being freed by the introduction of Boeing 737s on European routes.

The BAC 1-11s which are being transferred have had galleys installed for the preparation of the hot breakfasts provided on super shuttle services – breakfasts which the cabin crew yesterday refused to cook.

BA said it had consulted the crew on the introduction of the galleys. The airline maintained that the national joint council, the consultative body bringing unions and management together, had agreed to the launch yesterday of trial BAC 1-11 services.

Mr Mick Martin, the Transport and General Workers' Union's national secretary for civil air transport, claimed: "There is no agreement at all, that's the problem. The national joint council said it didn't see why the cabin crew should not carry out a trial, but told BA it could not effect a settlement for it."

BA said it had managed yesterday to maintain a near-normal shuttle service, using non-Heathrow crews, and had used 11 charters to and from various European and UK points. The Concorde service had been unaffected, even though it used a short-haul crew.

Government challenged over Sleipner gas

BY OUR ENERGY STAFF

THE LABOUR Party's front bench energy spokesmen have challenged Mr Peter Walker, Energy Secretary, to clarify the Government's attitude towards possible purchases of gas from Norway's Sleipner field.

In a letter to Mr Walker, Mr Stan Orme and Mr Ted Rowlands said that if the Government rejected Sleipner it had to have "convincing alternatives." Otherwise, it would be "gambling with the future energy requirements of our nation."

- The Commons Select Committee on Energy was told by oil industry representatives that if there had been a free market in the movement of UK gas in the 1970s this would have spurred greater exploration by the oil industry, and the UK would now have greater gas reserves at its disposal.

Mr George Band, chairman of the UK Offshore Operators Association (UKOOA), said the Government should waive the requirement that gas from the UK continental shelf must be landed in the UK. Even if negotiations with foreign customers for UK gas proved inconclusive, they would at least help to bring about a "free market price" for gas like that which the Government encouraged for oil.

Jobless rise expected

UNEMPLOYMENT figures due out later this morning are expected to show a very sharp rise, probably of more than 100,000 mainly for seasonal reasons up to possibly the highest post-war total.

Labour speakers in today's censure debate on the House of Commons intend to concentrate their attack as much on unemployment as on the recent turbulence in financial markets. The Social Democratic Party (SDP) Liberal Alliance, have decided to vote with Labour at the end of the debate.

Mr Niel Kinnock, the Labour leader, is to speak first followed by Mrs Margaret Thatcher, the Prime Minister with Mr Roy Hattersley Labour's deputy leader and Mr Nigel Lawson the Chancellor of the Exchequer, winding up.

□ LUNN POLY, one of Britain's biggest travel agencies, said summer holiday bookings to Spain had slumped from 51 per cent to 32 per cent of the foreign market. It said the biggest single factor was price increases.

Although Spain remained the most popular overseas destination for British holidaymakers, bookings to Greece and Yugoslavia had soared.

□ SHARES in British Telecom (BT) have not been bought on a large scale by foreign nationals, Mr Norman Tebbit, the Trade and Industry Secretary, said yesterday in reply to claims of a big switch overseas by Mr David Steel, the Liberal leader.

In a letter to Mr Steel, Mr Tebbit said that while it was difficult to establish the precise amounts of BT stock held overseas, his market reports suggested that there had been a movement of stock back to the UK from overseas.

□ NATIONAL Freight Corporation, which is largely owned by employees and their families, raised pre-tax profits by 43 per cent to £16.9m last year. The company was bought from the Government three years ago for £53.5m.

□ BRITAIN lost 26.6m working days because of strikes last year, according to provisional figures issued by the Department of Employment.

This compares with 3.8m in 1983 and is the highest annual figure since 1979, when the so-called "winter of discontent" was instrumental in bringing the Conservatives into government. The pit strike accounted for an estimated 22.3m of the days lost.

□ BIG COMPANIES are to be urged by the Government to help small businesses by paying their bills more speedily.

Mr David Trippier, undersecretary for trade and industry, rejected a suggestion in the House of Commons that the department should withhold grants from companies which delayed settling their accounts with small firms on the grounds that it would be a recipe for "bureaucratic complexity."

□ CROSS-CHANNEL ferry sailings from Portsmouth were halted because of an unofficial dispute. Crewmen have taken action because of threatened redundancies after the takeover of P & O ferries by European Ferries, which operates as Townsend Thoresen.

□ THE ISLE of Man should make a fresh drive to attract wealthy new residents and those who are "economically active," according to a committee of Manx MPs.

In a report, the committee recommends increasing the 64,000 population of the island – which is off the northwest coast of England and enjoys tax privileges – by 10,000 over the next 15 years.

It says the island should seek to attract only those who provide a net benefit and discourage others. "Policies designed to restrict the immigration of some people will tend to enhance the attractions of the Isle of Man to others."

Computer distributor calls in receiver

By Jason Crisp

SINCLAIR RESEARCH, the home computer company, has moved quickly to smooth over the impact of the collapse of Prism, one of its main distributors, which has called in the receiver.

Prism was until recently the largest independent distributor of Sinclair computers. At one time it handled more than 70 per cent of the computer group's UK business.

Sinclair said that by December – when it was already clear Prism was in difficulty – the proportion had been reduced to less than 10 per cent. Just after Christmas the company said Prism accounted for about 30 per cent – a figure now said to apply only in the summer.

Prism's collapse comes after a series of problems including acute cash flow difficulties in December, product failures and redundancies. Last July the company successfully sold 10 per cent of its equity for £1.2m to several financial institutions including Equity Capital for Industry and Barclays Development Capital.

At the time Prism could boast an impressive growth record, largely achieved through its distribution of the successful Sinclair computer range. Turnover for the year to June was £30m, three times the previous year.

Trident cost in Britain jumps 34% in 3 years

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT

THE COSTS of the Trident nuclear missile system which will be incurred within Britain appear to have risen by 34 per cent over the last three years while – exchange rates apart – the dollar content of the project has remained steady.

These assessments, based on Government figures and produced before the House of Commons defence committee yesterday, show that the UK content of the Trident project, put at 55 per cent of the total, has risen from £3.8bn in October 1982 to £5.1bn today.

In the same period, the costs to be incurred in the U.S., which is supplying Britain with Trident D5 missiles, have marginally declined in dollar terms. They were $5.8bn in 1982 and, according to figures published by the Defence Secretary Mr Michael Heseltine earlier this week, are now about $6bn.

The new calculations were produced yesterday by Mr Michael Mates, a member of the committee which is investigating defence spending.

Mr Mates said the figures indicated that, contrary to the contention of the defence ministry, the major reason for the increasing costs of Trident was not necessarily or only the declining rate of the pound against the dollar.

The falling pound was the main explanation offered by Mr Heseltine on Tuesday when, for the first time in nearly a year, he officially updated the cost of Trident to some £9.28bn, using the rate of $1.38 to the pound which the ministry employs for planning purposes.

However, the defence committee yesterday published figures from the ministry which confirm that at the rate of about $1.10 to the pound seen this week, Trident would cost nearly £10.5bn.

A team of ministry officials led by Mr Michael Gainsborough, assistant under-secretary for programmes, was unable yesterday to produce answers which satisfied MPs on the reasons for the increased UK costs.

The officials suggested that some work which under the original plans would have been done in the U.S. was now being transferred to the UK. This included, for example, construction of some of the tubes to house the Trident missiles. Other explanations included differential inflation rates and accounting procedures.

The officials yesterday promised a fuller explanation later. MPs professed themselves mystified and "alarmed" at the apparent increases which do not square with the insistence by the ministry, repeated again yesterday, that the costs of Trident have not risen in real terms since 1982.

Scotland strengthens its financial base

Barry Riley discusses the implications of yesterday's announcement that Standard Life, the Scottish life assurance group, is buying Barclays' stake in Bank of Scotland

WITH HEAD offices less than a mile apart in Edinburgh, Standard Life and Bank of Scotland are two of the key institutions within Scotland's financial sector.

The bank's governor, Mr Thomas Risk, was chairman of Standard Life from 1969 to 1977 and still sits on the assurance company's board. Another shared director is Mr James Gammell, a well-known member of Scotland's tightly-knit financial community.

Disclosure of the link between the two groups yesterday brought inevitable suggestions that the Scottish financiers were seeking to strengthen the country's financial defences. Memories are fresh of the wave of nationalist resentment some four years ago when another of Scotland's banks, the Royal Bank, was threatened by takeover bids from Standard Chartered and Hongkong and Shanghai Bank. The bids were blocked by the Monopolies Commission.

Mr Scott Bell, Standard's assistant general manager for finance, said yesterday, however, that the deal was "most certainly not" motivated by Scottish nationalism, although he agreed that it would have the effect of strengthening Scotland as a financial centre.

"We have been reviewing the future of the financial services areas," he said. "We decided that it would be of benefit to have an association with a clearing bank and we therefore approached Barclays." Mr Bell described the shareholding as "primarily an investment" but there would also be scope to co-operate with the bank, giving some added value.

He was unwilling to be specific but he agreed that there might be scope for developing more broadly spread financial services packages. "That may emerge from this co-operation in the longer term," he said.

Mr Bell did not envisage changes in the short term. "We certainly wouldn't intend to disturb the traditional business of either ourselves or Bank of Scotland," he said. Nor were there any plans to buy into other fields such as general insurance (where Standard Life has no operations at present).

The deal comes at a time when the life assurance industry is anxiously reconsidering its marketing strategies in the light of regulatory and fiscal changes. The ending of tax relief on life assurance premiums a year ago has brought life offices into direct competition with unit trusts. This week Mr Norman Tebbit, Secretary of State for Trade and Industry, has proposed that all pre-packaged investments should be brought under the control of a Marketing of Investments Board.

Meanwhile banks and other institutions are exploring the possibility of setting up a broadly-based provision of financial services. Mr Mark Weinberg's Hambro Life Assurance (to be renamed Allied Dunbar) has launched a comprehensive Financial Management Programme and the merchant banking group Schroders has begun to promote a range of products and services under the umbrella title Schroder Financial Management.

This brings together deposit and checking facilities with long-term products including life assurance, unit trusts, pensions and mortgages.

At the same time, three English clearing banks, Midland, National Westminster and Lloyds, are putting the finishing touches to Saturday banking services which they plan to launch in some branches this spring.

Since normal banking facilities will be confined to those provided by automated machines – the counters will not be open – this Saturday service must concentrate on selling longer-term products including insurance.

Life assurance offices are assessing how they will be affected by the appearance of such marketing outlets, both in terms of the possible need to sell through them, and the potential effect on their existing networks of intermediaries.

This is in the context of the probable tightening of the rules on commission levels, foreshadowed in this week's financial services White Paper (Government policy statement).

Whether a link between Standard Life and Bank of Scotland will provide a full answer to these marketing dilemmas is not clear. The bank's branch network is almost entirely confined to Scotland, whereas Standard Life does the vast bulk of its business in England.

Certainly Bank of Scotland is regarded as one of the more innovatory clearers, and it is pushing more aggressively into the English market – one reason given by Barclays for its decision to dispose of its shareholding.

Bank of Scotland is expanding mainly through electronic banking – such as with its just-announced Prestel-based home banking service – and marketing tie-ups with building societies such as the Alliance. As things stand, it will not provide Standard Life with a nationwide marketing network.

The implications for Scotland, however, may be favourable. "It's wonderful news for everybody," enthused Mr Gammell yesterday. Besides his directorships of Standard Life and Bank of Scotland, Mr Gammell is a key figure in Edinburgh's Charlotte Square investment trust community.

Government defeated over insolvency

BY KEVIN BROWN

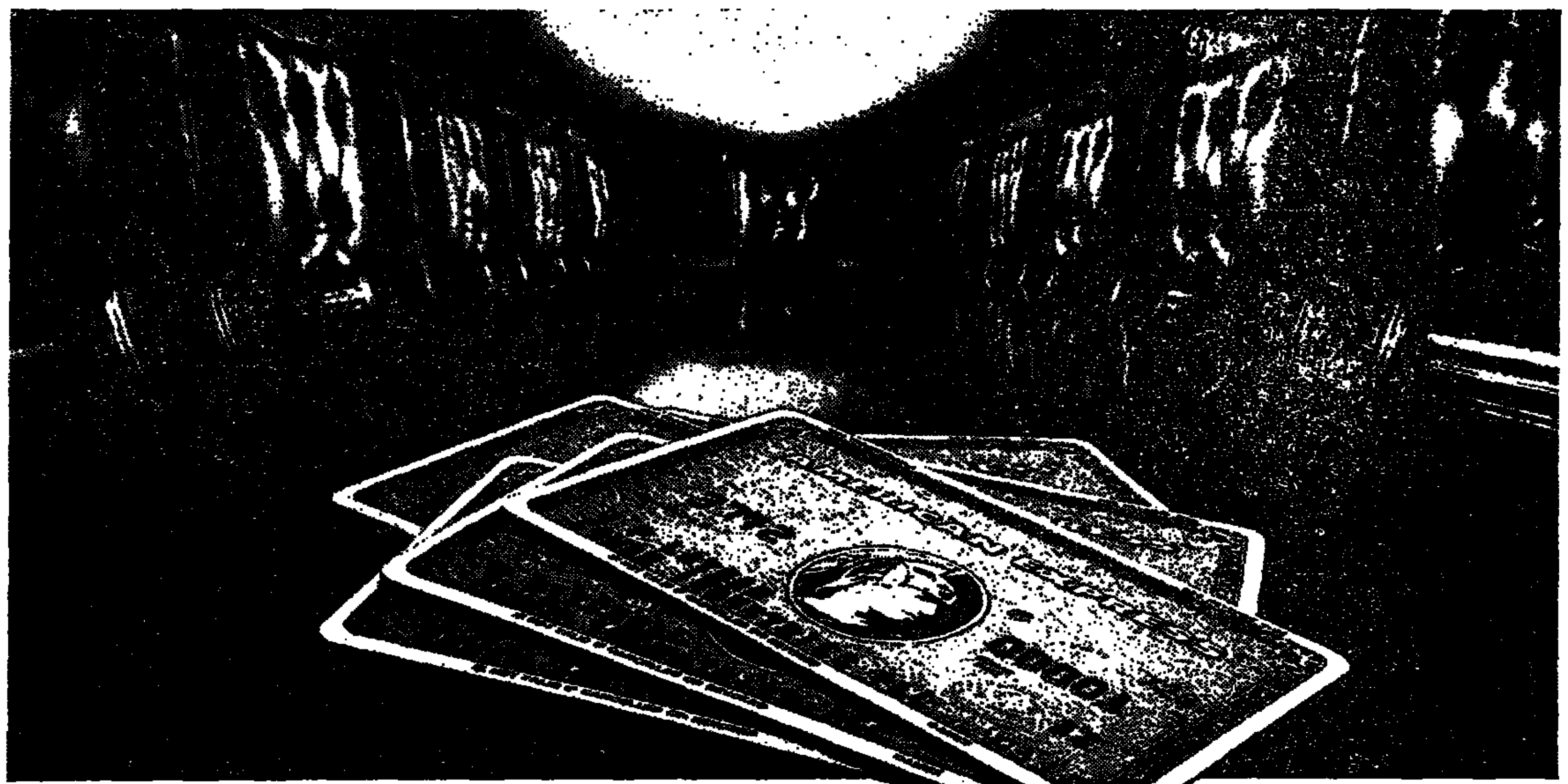
THE GOVERNMENT has suffered a defeat in the House of Lords over its proposals for the automatic disqualification of directors of companies facing liquidation.

The Lords voted overwhelmingly against the plan, which arose out of a review of insolvency law by a committee chaired by Sir Kenneth Cork, despite a Government offer to reconsider the whole issue.

The Government faced widespread criticism over its proposals during the first day of detailed committee stage debate on the insolvency Bill, the first reform of insolvency law for half a century. Peers voted 95 to 47 for an amendment moved by a group of Conservative and cross bench peers led by Lord Benson (Independent).

The amendment, which replaces the Government's original proposals, makes disqualification discretionary, and dependent on an application to the High Court by the Trade Secretary, the Director General of Fair Trading, the Official Receiver, the liquidator or a creditor of the insolvent company.

It will also be necessary for the application to prove the director guilty of fraud, negligence or failure to keep proper accounts.



TECHNOLOGY

EDITED BY ALAN CANE

NOVEL APPLICATIONS OF PNEUMATIC ENERGY STORES

Gas gives batteries a lot of bottle

BY DAVID FISHLOCK, SCIENCE EDITOR

AN UNSUNG technology which has been making dramatic advances to meet the demands of military designers has begun to search for civil uses. This is the idea of a "pneumatic battery" or bottle of highly compressed gas as an energy store.

By applying good physics and materials science, a gas bottle the size and shape of a cricket ball can now store enough energy to propel itself at the speed of sound. No electrical battery or other energy store can match this performance.

That is the claim of Hymatic Engineering of Redditch, Worcestershire, part of the Flight Refuelling group. It has spent three decades perfecting the pneumatic battery as a miniaturised and rechargeable energy store. Such batteries range in size from 20 millilitres—little more than a thimble-full—to several litres. They come in an incredible diversity of shapes because they are usually tailor-made to fill whatever space remains after the parts they are driving have been packed in.

A gas bottle the size and shape of a cricket ball can store enough energy to propel itself at the speed of sound.

One example is a "bottle" shaped like a helical spring. Another is a cluster of conical tubes surrounding the flame tube of a small rocket motor. "Imagine trying to put a battery into that space," reflects Brian Longbottom, Hymatic's managing director.

Inside the bottle will be a clean and pure gas, compressed to 1,500 to 17,000 lb per square inch (1,150 bar) pressure. It will be tightly sealed to secure the shelf life of up to 15 years, ready for instant demand. Some uses will drain the battery flat in seconds.

Technical challenges that faced Hymatic include compressing a gas such as helium—naturally very leaky because of its low density—into such a bottle, and releasing it at a steady pressure, equivalent to a constant voltage, of a conventional electric battery, until empty.

At peak pressures—Hymatic has pushed as high at 17,000 lb and seeks to go higher—the gas grows quite dense and "sludgy." Bottles must be machined from the solid metal, to ensure enough strength and freedom from pores, then electron-beam welded to make them leak-tight for 15 years.

The technology has been paid for "very substantially" as a private venture by the company, Brian Longbottom says. It has made rapid progress in the 1980s.

A typical military opportunity for the pneumatic battery is to power the fins of guided munitions such as an anti-tank weapon. An initiator releases gas from the bottle through a pressure control valve, to operate the servo control valves. These servos in turn control the pistons which move the missile's fins. The basic components are typical of any pneumatic stored energy system.

Air is the cheapest way of storing pneumatic energy. But at 10,000 lb pressure, air has the density of a dense balsa wood and is virtually incompressible, says Peter Smith, special projects director. As a rule of thumb, they use air in systems up to 6,000 lb, chose between air and helium for systems from 6,000-10,000 lb, and use helium exclusively for systems beyond 10,000 lb. "Helium is a nice, safe gas which obeys the gas laws," Smith says. Even at 17,000 lb, he believes, he has not reached the limit of its compressibility. The low density, moreover, allows the design of very small, fast-acting control valves.

As a result, Peter Smith claims that he can design systems smaller for a given energy capacity than any competing storage system—30 per cent more energy from the same volume required by a lithium (electrical) battery system, for instance. "But with very different characteristics," he qualifies.

Electrical batteries have an inherent problem in overcoming their own resistance (impedance) in order to deliver at high speed.

The pneumatic battery also needs a fast-acting release valve, capable of retaining the pressure—perhaps under conditions of considerable shock—and then releasing a full flow of energy within a few milliseconds of being triggered. The initiating signal in a weapon system may well be the acceleration of the launch itself.

Pressure control is often needed in order to optimise performance of the system and to make the energy last long enough. For the designer, this is often the key to a successful system. A variable orifice valve, designed to be unperturbed by severe vibration, is the usual method. It takes Hymatic into Swiss watchmaking methods to manufacture the valves.

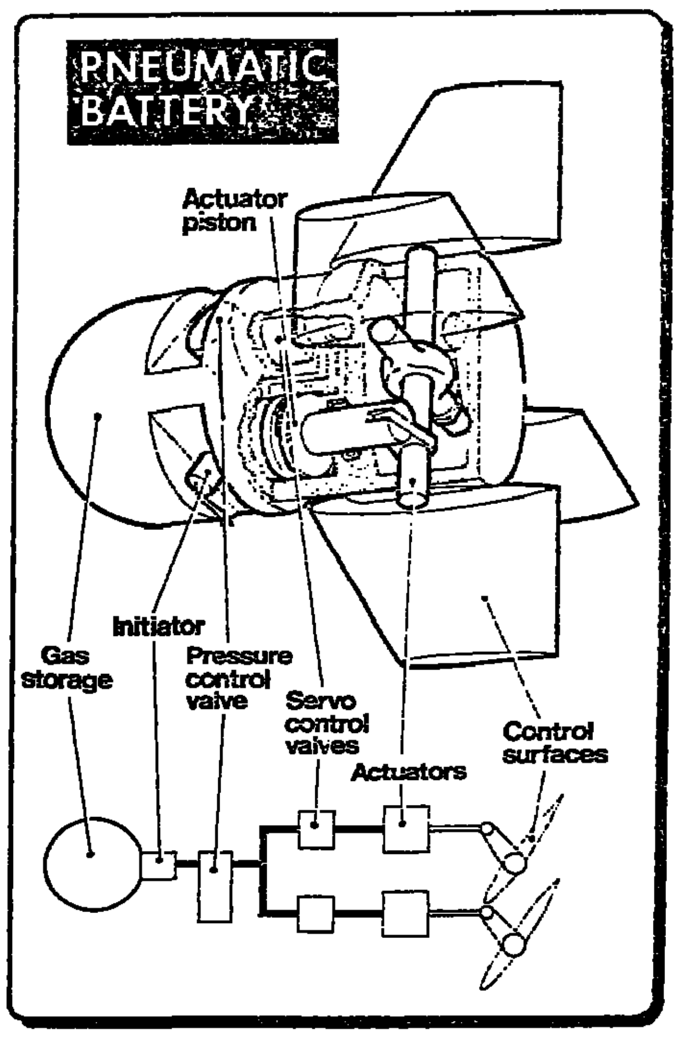
Typically, a pneumatic battery in quantity production, say, for a weapon, can be made for about £100. But to get down to a price of this order, Hymatic must do extensive development of advanced manufacturing methods, says Mike Bottley, marketing director.

It tends to design round the space others leave, then optimise its system in manufacture.

Typically, a pneumatic battery in quantity production can be made for about £100.

As Brian Longbottom sees Hymatic's progress, the company has moved from being "very much a technology company" in the 1950s, which won business because of its innovative designs, to a production unit of 550 people in advanced manufacturing technology. "We recognised that technology itself was not a basis for business."

On the shop floor, the gas bottle will be sculpted from top-grade stainless steel by numerical control machine tools, if possible into a sphere, the most efficient shape for energy storage. Failing that, however, the shape will be whatever geometry the system designer permits — cylinder, cone, torus, helix, or even a combination of such shapes to pack power into every available void in the equipment.



Valves are examined on a scanning electron microscope in order to disclose the slightest irregularity in a hair-fine needle and the orifice it controls.

Environmental testing ensures that the battery retains its energy under shock of a fierce fire. Life tests for shelf life at peak pressures have already continued for 10 years. In the 1960s the bigger systems could hold their pressure no longer than a matter of days.

Hymatic still sees its main market potential as the more advanced pneumatic batteries in novel military needs, according to Brian Longbottom. The big targets for instant power are fins that need to spring instantly into action once a "smart shell" has left the barrel, or a radar that must quickly erect itself in flight.

Controls and sensors of this kind are required for the new generation of intelligent munitions designed to weave their own way through the defences. Small missiles of the kind illustrated here can now pack enough pneumatic power to operate their aerodynamic surfaces for about a mile of flight.

The Hymatic engineers believe that their energy storage technology also has civil potential, although some of the early applications failed to find a substantial market. One was the gas-powered prosthesis, such as artificial hands and arms, developed during the 1960s, chiefly under the impetus of the thalidomide problem. Carbon dioxide was the gas used in these systems.

Another market that simply failed to materialise was the rapidly inflating gas-bag as an alternative to the seat-belt for the protection of car passengers.

But rapid and controlled inflation of more intricate flexible structures such as antennae and fins for a variety of air, space and submersible systems, affords a growing civil as well as military market. Emergency operation of release and control systems in aircraft and helicopters is another. A third is the storage of cryogenic gases needed to cool the detectors in infrared systems for remote sensing.

POWER FOR DEVELOPING COUNTRIES

Fresh look at the steam engine

BY MARK NEWHAM

A FRESH look at an ancient technology—the steam engine—is offering an escape route to developing countries caught in the vicious circle of the double energy crisis: a shortage of hard currency to pay for oil imports and declining forest areas as wood is used to substitute for oil.

Britain's Intermediate Technology Development Group (ITDG) and the Thames Steam Launch Company (TSL) have joined forces to develop a small steam engine capable of burning a wide range of waste organic materials.

Until now, no steam engine could cater for small energy requirements of less than 15 kw shaft power. The ITDG/TSL machine can be built to produce as little as 0.5 kw and is efficient and cost-effective for such small-scale uses.

Essentially, the ITDG/TSL design is a minaturisation of steam engines used in Victorian times. But, with minor improvements and the inclusion of modern materials, the machine becomes smaller, more robust and easy, simple and cheap to make—all the requirements necessary to make a power generating engine appropriate for the developing world.

The furnace is manufactured out of cement, vermiculite or refractory bricks to enable wood to be burned at 65 per cent fuel to steam efficiency, coconut shells at 60 per cent and straw at 50 per cent. The boiler consists of two steel drums connected by copper tubes expanded into them to reduce the need for welding. The engine block and cylinders are made from high grade cast iron and the unit is designed to run at low speeds (300-500 rpm).

Before full-scale testing has been carried out, ITDG and TSL need to build a one-off 5 kW version of the engine at a cost of about $6,000. However, interested manufacturers in India estimate that the price per unit can be reduced to $1,200 to $1,500 from a 100 engine production run. Manufacturers in Thailand reckon that the price could be only $800 per engine from large production runs.

ITDG plans detailed field trials of various sized engines in Ghana, Bangladesh and Papua New Guinea to prove the theoretical efficiencies of the design.

INFORMATION SYSTEMS

Jobs on computer

JOB HUNTERS around Britain may be helped by a set of software developed to help the food industry.

The Leatherhead Food Research Association, whose main job is to investigate aspects of food processing for UK industry, developed the software to help its library services.

The association found it could sell the set of programs to outside organisations. The Manpower Services Commission bought a copy of the software, called CAIRS, to help in the compilation of booklets that describe different kinds of jobs.

Other companies that have bought CAIRS include Glaxo, and British Aerospace, which use the software in their own libraries for the compilation of computerised data bases. The Leatherhead association sells CAIRS for £1,400 to £2,700 depending on the sophistication of the programs needed for a specific application. About 60 organisations use CAIRS.

The association originally developed CAIRS to help library staff. With the software, they can catalogue data about a range of subjects such as legal aspects of food manufacture, details about chemical additives and advances in chemistry that are relevant to the food industry.

The Leatherhead company's data base, which contains some 300m bytes of information, is available to customers on an on-line basis via the British Telecom packed-switched network.

PETER MARSH

Automotive

Selling vehicles

A SERVICE for buying and selling used commercial vehicles, based on viewdata technology, has been introduced by Commercial Inventory Service (CIS).

Known as Viewtrade Commercial, the system is similar to the used car service already offered by the company, but is independent of it. It was developed to provide dealers with a fast, easily-used service for locating, buying and selling commercial vehicles.

Dealers can access vehicle data on the screen by entering the weight and body type they are interested in—articulated, tanker, transporter for example. The computers will then bring the details of body construction, door type, fuel used, gross unladen weight, age, mileage, registration and test details of suitable vehicles.

The dealers can opt to receive details of vehicles throughout the country or in designated areas only. Commercial Inventory Service is in Leeds, on 0532 438202.

Biotechnology

Research grant

THE SCIENCE and Engineering Research Council is offering awards for engineering graduates to undertake research into the engineering aspects of biotechnology in association with UK companies.

The object of the scheme, which is launched in a pilot form this year, is to encourage the growth of engineering expertise in biotechnology production processes.

Each research program will be drawn up by an industrial sponsor in partnership with the chemical or process engineering department of a university or polytechnic. More details from the SERC on 0793 26222.

Company Notices

NOTICE OF REDEMPTION

EUROPEAN COAL AND STEEL COMMUNITY (E.C.S.C.)

6½% 20 Year Bonds of 1967 due 1st March, 1987

The Commission of the European Communities informs all Bondholders that a selection by lot for a principal amount of US$1,590,000 has been made for redemption in the presence of a Notary Public by Banque Internationale à Luxembourg.

15505 to 15514	15525 to 15534	15544 15545	15548 to 15559
15568 to 15577	15582 15583	15615 15616	15637 to 15666
15756 to 15774	15814 15815	15833 to 15835	15844 to 15849
15852 to 15862	15883 to 15885	15890 to 15894	15897 to 15912
15919 to 15923	15926 to 15929	15951 to 15959	15976 to 16018
16022 to 16026	16084 to 16092	16103 to 16131	16135 to 16166
16169 to 16213	16224 to 16232	16238 to 16266	16300 to 16324
16328 to 16346	16349 to 16387	16401 16402	16407 to 16409
16414 to 16443	16445 to 16463	16468 to 16472	16494 to 16497
16504 to 16516	16533 to 16552	16555 to 16591	16593 to 16600
16633 to 16640	16671 to 16674	16678 to 16682	16686 to 16691
16695 to 16711	16725 to 16739	16750 to 16756	16772 to 16778
16785 to 16787	16843 to 16888	16894 to 16917	16920 to 16948
17093 to 17095	17120 to 17124	17312 to 17414	17461 to 17467
17473 to 17510	17536	17541 to 17545	17564 to 17566
17904 to 17907	17982 17983	17989 to 17994	17997 17998
18036 to 18060	18321 to 18324	18329 to 18340	18366 18367
18388	18391 to 18397	18436 to 18442	18445 to 18464
18470 18471	18481 to 18483	18494 to 18503	18508 to 18511
18561 to 18563	18591 to 18593	18595 18600	18608
18676 to 18697	18714 to 18721	18732 to 18738	18747 18753
18784 to 18786	18810 to 18843	18848 to 18855	18861 to 18863
18866 18867	18869 to 18872	18882 18883	18887 18888
18951 to 18953	18999 19010	19064	19070 to 19074
19119 to 19122	19124 to 19130	19138 to 19142	19161 to 19164
19168	19174 19175	19181 to 19206	19242 to 19248
19308 19310	19346	19446 to 19466	19486
19489 19490	19509 to 19512	19537 to 19542	19546 to 19552
19612 to 19626	19636	19641 to 19643	19659 to 19663
19683 to 19686	19706 to 19724	19800 to 19821	19862 to 19883
19885 to 19887	19893 to 19909	19914 to 19918	19920 to 19980
19984	19986 to 19990	20038 to 20075	20143
20145 to 20149	20154 to 20156	20184 20186	20203 to 20206
20284 to 20294	20307	20318 to 20327	20340 20341
20350 to 20358	20361	20380 to 20385	20391 to 20396
20452	20458 to 20460	20474 to 20480	20522 20523
20618 to 20626	20636 to 20647	20664 to 20681	20684 to 20689

Principal amount of Bonds purchased: US$110,000
Principal amount called for redemption: US$1,700,000
Principal amount unamortised after 1st March, 1985: US$2,900,000

The Bonds selected by lot will be reimbursed on or after 1st March, 1985, with the coupon due 1st March, 1986 and following, in accordance with the terms of payment mentioned on the Bonds.

Luxembourg — 31st January, 1985

CASSA PER IL MEZZOGIORNO

US$20,000,000 6% Guaranteed Bonds 1985

NOTICE OF FINAL REDEMPTION

Bondholders are advised that all outstanding Bonds are redeemable at par on 1st March, 1985 and that interest will cease to accrue on that date.

Bonds are payable at:—

S. G. WARBURG & CO. LTD.,
33, King William Street, London, EC4R 9AS,

or one of the other paying agents named on the Bonds.

The following Bonds drawn for redemption on the date stated below have not yet been presented for payment:—

1st March, 1984
14191 15196

N.B. The following Bond has become prescribed:—

6541

33, King William Street, London, EC4R 9AS — 31st January, 1985

GEFOUND LIQUID ASSETS DISTRIBUTION NOTICE

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ARTS

Record Review/Max Loppert

A new Moses and Rake

For an opera of such harrowing complexity of sound and sense, Schoenberg's *Moses und Aron* receives a notable number of very fine performances. London got to know it under the guidance of Georg Solti, who has subsequently displayed his missionary enthusiasm for work in Paris, New York, and Chicago. Conductors of the stature of Boulez, Gielen and Dohnanyi have followed suit, *here and elsewhere*. And *in the* stereo era there have been three worthy recordings (though none of them appears to have lasted in the catalogue very long).

Now Decca, in an act of courage little associated with the big record companies in recent years, has at last preserved the Solti account — the recording immediately followed Chicago concert performances by the Chicago Symphony Orchestra last April (Decca 414 264-1, two records, also on cassette and compact disc). The result, though imperfect in unexpected ways, is impressive. The conductor's passion for the work is described in the accompanying booklet: with every performance he has given *Moses und Aron* "has become clearer, less complicated, and more expressive and romantic. . . . Schoenberg loved Brahms, and this comes out if the *espressivo* character is underlined enough and played romantically."

This is at once the performance's strength and its weakness. Given an orchestra of Chicago calibre, the physical qualities of the music—I had slightly *forgotten* what, among other things, a thrillingly *vivid* score it is—need fear no skimping. In the delivery of the string parts there is none of *that crabbed, costive style of* attack and phrasing once deemed appropriate for Schoenberg and his pupils (when not simply the by-product of in*comprehension and technical* incapacity). The multi-layered voice parts are perceived and transcribed with all the romantic warmth professed by the *conductor*; the first scene, in which the speech and song of the Burning Bush voices emerge with a wonderfully hushed intensity, is perhaps the finest passage in the reading, and here one particularly appreciates the expansive, broadly reverberant sound-picture achieved by the *Decca engineers*

Returning to Gielen's 1974 Philips *Moses* (the first modern recording, long unavailable, alas), I was, however, surprised at how much more *incisive* and forceful remains the impact of the opera there. The effect of dryer, closer acoustics, a comparatively small Austrian *chorus (whose pungent German* enunciation immediately highlights an inevitable weakness of the lusty Chicago, Symphony Chorus) and crisper, less obviously *espressivo* instrumental outlining is cumulatively to drive the drama much more urgently forward.

Man for man, the Chicago orchestra is no doubt infinitely more accomplished than were Gielen's Austrian Radio Players yet the former are occasionally less certain of direction (the early *Golden Calf sequences* reveal strange loosenesss of ensemble). Summarising crudely, I would say Solti seems intent on drawing the sting of the opera, *Gielen on getting* to grips with its substance, however, complex or rebarbative.

Where Solti scores is in the casting of the title roles. Philip Langridge's tenor cannot surmount the chorus as Aaron needs to; in tone, utterance, and manner he gives an acutely judged account of the character, lyrically persuasive without becoming too obviously crafty or Loge-ish. Franz Mazura's craggily agonised Moses combines an actor's range with a singer's musical intelligence (his wayward observance of the pitches implied by the speech-song notation, and the degree to which this matters, is an issue that will be weakly side-stepped here). There are also some beautifully taken smaller roles—Aage Haugland (Priest) Barbara Bonney, and Daniel Harper stand out in the large cast.

And, when all the critical note-taking is completed, the Decca *Moses* deserves a warm welcome: *for it is* theonly recording available at the moment, of a work that needs to be heard *by everyone who cares about* opera. The fact that it is a work now more familiar, more of a "classic," than ever before, does not minimise the listener's diffi- *welcome: for it* is the only re- culties.

A paradox lies at its heart—the presentation of an abstract idea to a people hungering *after the tangible, the easily* comprehensible, the concrete. It is a paradox in which the dilemma of Schoenberg's own composing career expounded; and, listening again to a work so tight-packed wih significant matter, with dense verbal formulation, with musical events in continuous proliferation, one seems to peer into the mind of the composer himself, to marvel once more at its tenacious courage in habitually scrutinising its own dark conflicts. There is, *pace* Solti, a fierce, loveless, passionate intensity about *Moses und Aron* that puts one in mind of Tippett's remark about the "purgative qualities" of modern art. Yet the sustained high charge of imagination must force out from even the most recalcitrant listener awed admiration.

*

It is an appealing coincidence that side by side with Schoenberg's only full-length opera Decca should have chosen to issue a new recording, the first for more than 20 years, of perhaps its exact polar opposite—Stravinsky's *Rake's Progress* (Decca 411 644-1, three records, also on cassette and compact disc). The two, towering above the multitude, now stand opposite each other in the catalogue like Berlioz's Pope and Emperor, defining irreconcilable attitudes to opera—and, because both are masterpieces, defining them with indelible conviction.

The new Stravinsky gives, I feel, the lesser cause for cheers. Its conductor is Riccardo Chailly, who in 1979 took the Glyndebourne production (with its celebrated Hockney designs) and the London Sinfonietta (who provide the Decca orchestra and chorus) to La Scala for a much-praised round of *Rakes*. Chailly, a young virtuoso, is by no means an empty-headed one. His partnership with the Sinfonietta is demonstrably close, his feeling for the marvels of the music strong; but his articulation of it suffers from generalisation, which takes the particular form of excess (because showy) brilliance and smoothness of style.

What Hans Keller has memorably called Stravinsky's "overwhelmingly expressive anti-*espressivo*" remains the key to his execution: the composer's own two *Rake* recordings, for all their flaws, prove the point beyond argument. The new one gains in strength as it goes on without ever fully mastering the style, or the exact mastery of Stravinskyan tempo; the opera slips past altogether too fleetly.

The cast is also less than ideal. Langridge (the Scala Tom Rakewell) sound here in less good form than as Aaron; top notes spread, legato comes and goes, charm and distinctness of character emerge only in latter stages (his asylum Apollo is deeply moving). It was bold to assign Anne Trulove to young Cathryn Pope, so promising a soprano with ENO and Opera North, but boldness has not paid off, for the tone is mousy as recorded here, the intended effect of innocence too consistently close to immaturity and passivity. Sarah Walker (Baba) and Samuel Ramey (Nick Shadow) give star performances, as does John Dobson's auctioneer; Astrid Varnay's ancient Mother Goose is a brief embarrassment. There is much pleasure to be had here; but to the second Stravinsky set (on CBS) it must be ranked only an alternative.

Jeanne Downs (left), Elaine Lordan, Sara Sugarman, C rispin Letts, Ian Roberts and Stephen McGann in Class K

Class K/Royal Exchange, Manchester

Michael Coveney

Trevor Peacock's new musical for the Royal Exchange in Manchester is based on his researches in South London schools with specific reference to the *special units for trouble*-making no-hopers. As anyone with first-hand experience of such conditions knows, academic dustbins usually contain the brightest children, *along with* the psychopaths, punished by a system ill-equipped to help them. Nigel Williams's *Class Enemy*, covered the same South London territory, but allowed the kids to impose their own brutal hierarchy on a scene of unsupervised chaos.

Mr Peacock, on the other hand, charts the *relationship* between a new teacher, Mrs Mackenzie (Judy Loe), taking her first job after 16 years, and her new class of seven detainees in the school's forgotten wing. She encourages each of them to dream: Joanne of work as a hairdresser, West Indian Richmond as a champion runner, dour Clint as a moped rider, little Bernard in his green fur-lined anorak as a prize-winning fisherman. Then there is mousy Rose with big trouble at home, and Tina who cooks and washes for her father and brothers and who starts the second act five months gone.

There is nothing particularly outstanding about the book, but the lyrics are well above average and the show as an entity is superb at constructing out of classroom cross chat a succession of human sculptures set to pulsating music. Thus big Josh (the delightful Ian Roberts), responding to Mrs Mackenzie's interest in his story writing, launches into a reggae love song which is, in turn, punctured with a blast of staff room cynicism. And the slow moving Clint (Stephen McGann) reads a space story which develops into a company moonwalk over the desks, a sequence of some beauty and *melody*. Tina's pregnancy prompts a joyous calypso, and when Bernard finds himself on an ambulance trolley after a playground gang *bang, he sings of eel, tench* and trout by the flickering blue light.

The music by Mr Peacock and Chris Monks embraces all these styles and fully conveys the idea of deadbeat children coming alive under the spell of both a new teacher and the per*suasive rhythms emanating from* synthesizers and saxophones under the astute direction of Stephen Warbeck. Richmond (Cyril Nri) starts it all off with a response to a question on electricity that has him writhing, leaping and body-popping all over the place. These cues for song are matched by a rather schematic narrative in which Mrs Mackenzie, seen off by the authorities for having come too close to the children, says goodbye to each of them in a spotlight. She is determined to do better in the next job.

Meanwhile, Richmond has taken to beer and snooker: Josh is in handcuffs; Rose is dead—a grim domestic scene of violence and boiling water suggests why; Tina's baby is adopted; Joanne has been *involved with heroin*.

All this pessimism, we know, is justified in such circumstances; school is a crucial *period even for children who* affect to despise it, and Mr Peacock is right to be angry with the failure of teachers to love their jobs and their children a little more, even if other dramatists such as Barry Reckord and Barrie Keeffe have been here before. Nobody ever sees the headmaster. The school has 1,800 children, 23 of them in the sixth form, and 28 per cent from single parent familes.

But there can be no real quarrel with a show that has such blissful explosions as the countryside outing, the kids climbing all over the circular theatre's structure, or the slickly fantastic hairdressing salon song. Sara Sugarman's punk rebel looming as international trend-setter surrounded by chanting robots. Judy Loe avoids do-gooding winsomness, while her young mates are, without exception, brilliantly played. The direction has been shared by Greg Hersov, Braham Murray, James Maxwell and Casper Wrede. They also have a choreographer, Fergus Early.

La traviata/Covent Garden

Rodney Milnes

The postponement of the new *production of Manon* has brought an unexpected bonus in a further revival of the classic 1967 Visconti production of Verdi's opera, of which we thought we *had* seen the last before it is replaced, according to rumour, by a Zeffirelli extravaganza opera-of-the-film (heaven forfend). The Bearns*ley/Klimt Visconti staging* has always seemed to me one of the most stylish in the Royal Opera's repertoire, providing a convincingly raffish framework *for the action without ever* being rude. The opportunity has been taken by the current producer, Michael Rennison, to reconstruct the original as faithfully as possible from production books, photographs and folk memory.

Physically this works extremely well. Violetta's death, in grey coat and cerise scarf, I had forgotten; she expires not on the floor but in Dr Grenvil's arms, and is carried to her chair, eyes still open — a shattering effect. The individual performances, though, are less sure. I missed the supernumery in mauve who survived for some seasons and removed her shoes so memorably in Act 1, and Alfredo, one of Verdi's most inventively written tenor roles, is here a cypher; Neil Shicoff sings the notes perfectly efficiently but, apart from the odd phrase in "Parigi, o cara," without musical or *dramatic imagin*ation, and of the callow, eager youth from the provinces there is little trace. Instead we have a rather surly, standard matinee idol.

But with Ileana Cotrubas in the title-role all is safe. She has that rare ability to suggest not only the vulnerable *traviata* of the later *acts* but *also* the sprightly professional of the first—again, without ever being vulgar. Here is a true *femme du monde*, sophisticated and *alluring. It is a long time since* a Violetta has smoked a cigarette in this production (risky, perhaps, for a consumptive) and she carries it off with *ideal insouciance. Her bell-like* soprano, more securely supported than sometimes in the past, rings clearly round the auditorium, the first-act coloratura *is daringly taken* (as befits the character) and in the later acts she wrings the audience's collective withers with plangent, beautifully poised singing. A *really lovely performance*, with charm, wit and pathos.

Norman Bailey's Germont *père*, if not ideally Italianate of timbre, is the stuffy provincial moralist to a tee, and there are sterling performances from John Gibbs (a brutish Baron), Claire Powell (an unsettlingly lively Flora) and Elizabeth Bainbridge (a disapproving Annina). Colin Davis, conducting the work for the first time at the Garden, takes a predictably fresh view of the music; there are many nicely sprung accompaniments (Alfredo's cabaletta) and some odd lapses (the tempo change in the gambling scene is now discredited).

Ileana Cotrubas, Violetta in La traviata

Rasumovsky Quartet

Andrew Clements

The Rasumovsky Quartet differs from most string quartets making their London debut at the Wigmore Hall in being composed of already seasoned professionals with a substantial body of chamber and ensemble experience behind them. There are strong links with the Royal College of Music, and the first violin Frances Mason teaches there. The programme on Tuesday consisted of Mozart's C major quartet K.465, Berg's Op 3 and the first of Beethoven's Op 59.

It was not in any way an auspicious introduction to the new group. Had the players not been so experienced one might have put down some of the accidents, the continual bouts of sour tuning, the breakdowns in ensemble, to nerves but even that could not have excused the anonymity, the lack of obvious characterisation in every movement the Rasumovsky essayed. The cello line had a tendency to disappear at crucial moments and was at best woolly and underpowered; when the going got tough, as it does quite often in the Berg, any suggestion of balanced textures or clean inner parts was out of the question. A most unhappy occasion.

Musical 'homage' to Chagall

Continuing its recent policy of marking its major exhibitions with musical events the Royal Academy is presenting a *gala evening, Hommage à* Chagall, at the Barbican on February 26. Musicians are offering their services at charitable rates and the Royal *Academy appeal hopes to gain* from the event.

The programme has links with the 97-year-old artist, who is honoured with an academy show, in every item.

New plays for the Lyttelton

The National Theatre is to present Jean Jacques Bernard's *Martine*, translated for the NT by John Fowles. It joins the *Lyttelton repertoire, opening* there on April 20 (previews from April 13).

Before *Martine*, the British première of *The Road To Mecca*, a new play written and directed by Athol Fugard, will also join the Lyttelton repertoire where it opens on February 27 (previews from February 21).

Bolet/Elizabeth Hall

David Murray

Jorge Bolet's recital on Tuesday consisted of 36 preludes, the statutory 24 of Chopin and a *dozen drawn even-handedly* from Debussy's two *Livres*. The two halves of the programme sounded as different as Chopin is from Debussy: that is to say, *there was scarcely anything like* a common Bolet factor—except the magnificent, concentrated, selfless playing. Hard to write about: one would rather just commiserate *with any music*-lover who was not there.

Bolet in Debussy is new to us here, and probably most guesses about what that would *be like were wide of the mark*. The wrongest would have been expectations of Lisztian bravura: though the "West Wind" prelude and "Feux d'artifice" had properly brilliant sweeps, the tone was consistently, eerily gentle. Dramatic breadth was carefully restrained in favour of transparent intimacy, and in impeccable style—Bolet seemed to have recreated everything from the score alone, without a thought of its being grist to a virtuoso mill. Countless passages came up virginally fresh, as if they had just been invented.

Tiny patches of bright colour enlivened Puck's Dance and "La puerta del Vino," but "Danseuses de Delphes" remained a cool ritual, and "Bruyères" melted elusively even before each cheerful, open-air phrase *was completed*. "La fille aux cheveux de lin" was tremulous and simple, "Ondine" an elevated play of whispered sounds. The comic pieces, "Minstrels" and "Général Lavine" were pawky and neat, the latter set off with inspired springs-and-releases. Everywhere Bolet's touch was scrupulously clean, without a hint of gratuitous pedal-smudge.

No doubt Bolet has performed Chopin's 24 Preludes hundreds of times, but even by his standards this must have counted as a marvelously realised performance—in detail and as a whole, for he delivered them unambiguously as a continuous cycle. The technical wizardry can go without comment (and nothing was done to attract notice to it). It was the easy strength of the lyrical impulse, carried straight through every piece, that was so astonishing. Everything sang, and breathed; the slightest three-note comment in the left hand made a salient point, but as part of a seamless line. The mos violent preludes flowed naturally — exciting, certainly, but never *explosive, never* admitting a harsh note.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

Jan 25–31

Exhibitions

ITALY

Naples: Museo di Capodimonte: *'Naples in the 17th Century': for lovers* of Baroque. An exuberant exhibition of paintings, marbles, silver and furniture dating from a period when the city was the second in Europe after Paris. Ends April 14.

Rome, Villa Medici (French academy): Degas and Italy. A gracious recognition by the French Academy of the importance of Italy to the work of one of the greatest artists of the 19th century (this year is the 150th anniversary of Degas's birth). The exhibition follows Degas's principle that preparatory drawings should be shown with the finished work. This has been done here with three remarkable paintings: the portrait of the Bellelli family (with its echoes of Piero Della Francesca). The works cover the period 1856-60. Ends Feb 10.

Rome, Galleria la Gradiva (Via della Fontanella 5): Modern Italian painting including Guttuso, de Chirico, Annigoni, Rosai, Balla. Ends Feb 10.

Florence: Palazzo Strozzi: Icons from *Russia – painting in Russia and the* Ukraine from the 15th to the 18th century, organised by the new exhibition centre in Florence and the Russian Ministry of Arts. On show are 71 icons from the Museo Rublev in Moscow, and from museums in Leningrad, Kiev and Cernigov. Newly restored and stripped of their dark protective layers of linseed oil, the colours are brilliant and the gold gleams. The exhibition is *fascinating not only for the extraordinary* and disconcerting beauty of the icons but for showing the remarkable artistic isolation of Russia, which allowed this subtle art form to survive until Peter the Great decided forcibly to Europeanise it in the 18th century. Ends March 3

Milan: Castello sforzesco: L'Atelier dell'Illusione – 120 opera costumes chosen from the 80,000 in La Scala's storerooms. A visual opera *history* of the last 60 years. All the costumes are original except the first on show: a replica of the black, satin dress with bustle in which Maria Callas sang in La Traviata at La Scala in 1955. Closes end of Feb.

NETHERLANDS

Amsterdam. The Rijksmuseum opens its centenary year with a close look at the Last Supper. Twenty sketches and studies, 12 by Leonardo, accompany an immense photographic reproduction of the ailing mural, while detailed photographs chronicle the restorers' latest efforts to reverse the erosion. Ends March 3. (Closed Mon).

Amsterdam Historical Museum. A show of 19th-century topical prints which met a popular demand for political comment. Illustrations commemorating important events in Dutch history, and souvenirs of royal occasions. Ends March 3 (Print-room closed Sun, Mon).

Amsterdam, Van Gogh Museum. A large selection from the holdings of the city's Stedelijk Museum provides a comprehensive survey of the "Dutch identity" in art since 1945: from Cobra and the Informal Group, *via Zero and* conceptual art, to the New Realists and the exuberant expressionism of the emerging generation. Ends April 15. (The permanent Van Gogh exhibition has moved to the top two floors for the duration).

S. Jessurun de Mesquita: Prints, drawings and decorative designs trace the career of this exponent of Art Nouveau who managed to combine *simplicity and* crispness *of line in* his woodcuts of people and animals with the bizarre extravagance of the "sensitivistic" drawings – fevered caricatures with a surrealist tinge. Amsterdam, Jewish Historical Museum. Ends March 10 (closed Mon). A smaller exhibition of the sensitivistic drawings runs concurrently in Rotterdam, Boymans-van Beuningen Museum.

WEST GERMANY

Hamburg, Kunstverein, Glockengießerwall: Fifty five paintings, watercolours and gouaches by Edvard Münch, the Norwegian painter (1863 to 1944). Ends Feb 2.

Hannover, Forum des Landesmuseums, 8 Am Markte: Berlin Art between 1770 and 1930 has 200 bronze, gypsum, ceramic and china sculptures by artists ranging from Gottfried Schadow to Georg Kolbe. Ends Feb 17.

Nuremberg, Germanisches Nationalmuseum: Masterpieces of the 20th Century, from the private collection of the German industrialist Thyssen-Bornemisza. Manet, Gauguin, Bonnard, Mondrian, Picasso, Van Gogh, Schwitters, as well as Russian constructivists. Ends March 24.

Düsseldorf, *Stadtmuseum,* Backerstr. 7-9: "A land at the Centre of Power." 900 paintings and documents covering the cultural history of the "Herzogtumer" (duchy) and its main centres Julich, Kleve and Berg. Ends Feb 24.

Bremen, Kunsthalle, 207 Am Wall: Watercolours from the 16th century including Albrecht Dürer, Eugene Delacroix and Emil Nolde. Ends *Feb 24*

Munich, Haus der Kunst, 1 Prinzregentenstrasse: The museum is displaying two exquisite shows. Nofret – the Woman in Ancient Egypt has 96 important works from between 2,500 B.C. and 200 A.D. on loan from Cairo. Ends Feb 10. Shogun offers a panorama of Asian culture in the everyday life of the Japanese dynasties between 1615 and 1868. Despite the limited number of exhibits from the Tokugawa Art Museum Nagoya in Japan, the show allows an insight into the position and importance of the Tokugawa princes. Munich is the only German venue of the exhibition which goes on to Paris. Ends Feb 3

PARIS

Hans Holbein the Younger (1497-1543): Thanks to the acquisitions by Louis XIV, the Louvre boasts one of the richest and rarest collections of the court painter of Henry VIII. Five of his masterpieces, portraits of Erasmus and Anne of Cleves among others, retrace his artistic development, accompanied by several drawings of equally prime importance. The exhibition *is completed* by paintings from the royal collections thought, mistakenly, to be by Holbein. Louvre, Pavillon de Flore, Porte Jaujard (260 3926). Closed Tue, Ends April 15.

Degas: His portrait of Diego Martelli and his astonishing Bureau des Cotons, with his Carnet 18 to be seen for the first and last time page by page, form the highlights of a vast exhibition of the master's sculp*tures, paintings, lithographs. Centre* Culturel du Marais, 20-28 Rue des Francs-Bourgeois (272.73.52). Every day from 10am till 7pm. Ends March 3.

Magritte: Paintings, drawings, gouaches and collages, including La Grande Famille, by the Belgian surrealist celebrate the fifth anniversary of the Centre Culturel Wallonie-Bruxelles. 127-129 Rue Saint-Martin (271 26 16). *Ends Feb 10.*

LONDON

The Royal Academy: Marc Chagall – a full retrospective (organised by the academy in association with the Philadelphia Museum of Art, to which it travels later in the year) of the work of one of the most popular masters of modernism, still at work in his 99th year and last survivor of the artists' Paris of its great period before the first world war.

Chagall, for all his popularity, has remained a maverick artist, idiosyncratic and independent, and hard to categorise. We now see, however, that he has always been a good artist, and at times, most notably in that first time in Paris after 1910, a great *one. The work of his extreme* old age, moreover, does him more than credit, representing no falling off in its technical command or imaginative authority, but simply a restatement of the poetic images and ideas that have always haunted him and he has made his own – the soaring and floating lovers, the clowns and musicians, the flowers and trees, and that strange, colourful domestic bestiary of cocks and hens, *goats, cows and asses*.

TOKYO

Ceramics of East and West (Idemitsu Art Gallery): This exhibition highlights 17th and 18th century fine ceramics in Japan and Europe, including Japanese Arita ware, Delft from The Netherlands and Meissen from *Germany*. Particularly interesting is the influence of these various wares on each other, the result of trading of the period. Shards of Chinese and Japanese pottery excavated outside Cairo are also on display. This museum, on the 9th floor of the Kokusai Building in Hibiya, near Imperial and Palace Hotels, commands an excellent view over the moat and Emperor's Palace in the centre of Tokyo. A relaxed atmosphere enhanced by the serving of Japanese tea. Ends Feb 3.

Woodblock Prints (Ukiy-e) of 17th century actor Ichikawa Danjuro. One of several exhibitions to mark the occasion of Ichikawa Danjuro XII's succession to the most famous name in Kabuki in the spring. The traditional close ties between Kabuki and art exist even today. Riccar *Art Museum, Ginza. Ends Feb 24.*

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871
Telephone: 01-248 8000

Thursday January 31 1985

Now to learn some lessons

THE spectacular reappearance of the Grand Old Duke of York in the markets yesterday has proved that during his welcome retirement he has learned to march uphill and down at the double. The financial futures market, which is supposed to react to events with breathtaking speed, was left gasping in his wake, limit down on Monday, limit up yesterday; the Government Broker, who has gone on funding in these dramatic days with notable aplomb, must have felt that it was just like old times. But if Mr Nigel Althaus has forgotten nothing, it is still not clear that the other players known collectively as the authorities have learned much. The Bourbons forgot nothing but learned nothing; their methods cannot be applied to the management of a petro-currency.

Certainly yesterday's events were not altogether encouraging. Having suffered a similar crisis in July, the authorities seem to have come to the January Opec meeting with no plan and little common understanding. Their first instinct seems to have been to try to impose some sort of quasi-peg on sterling just at the moment when nobody, including themselves, could have a clear idea of any sensible rate.

Bear traps

Having achieved that, after a change of heart on intervention and at what may prove a large cost to the economy, they reverted yesterday to their old obsession, market smoothing, on the way up as well as the way down. It does not seem sensible, when the markets have been obliging enough to dig some painful bear traps for speculators—short, by yesterday, of sterling, paper and government stock—to dash about lining these traps with nice fat mattresses.

On a purely market management level, experience might suggest a very different strategy: to concentrate control on longer (but not money market) interest rates, leaving overnight rates and the exchange rate to respond to the flow of news at times of maximum uncertainty. The convulsions might be quite subdued if it were also known that, in due time, when a view could be formed, heavy intervention might follow.

However, a plan for visible bear traps is a poor substitute for a general policy better fitted to our problems. We have said enough, in recent days, about the importance in managing an exposed currency, of avoiding ambiguities about general economic policy, saying one thing while visibly doing something rather different; that message has clearly got through. But it is worth inquiring a little further why sterling should be exaggeratedly vulnerable to speculations about the price of oil.

Vulnerability

One reason is that sterling is in any circumstances the most vulnerable of the internationally traded currencies to speculation; its international importance is still out of proportion to Britain's weight in world trade —partly, of course, because the London capital market is also disproprotionately large. In these circumstances we would urge again, as we have on several occasions, that when calmer conditions are restored, the Government should again examine the arguments in favour of joining our partners in the European Monetary System. The joys of independence in free markets are not self-evident.

The second reason for our vulnerability is that Britain has temporarily become a large-scale net exporter of oil. These ebbs and flows imupose large adjustment problems on the non-oil mass of the economy and on fiscal policy, as well as on the currency. For all these reasons the Government, which represents the whole economy and not just the interests of profitable oilfield exploitation, should legitimately impose its own priorities on North Sea depletion. Here, as throughout this and the July crisis, experience shows that an excessively hands-off strategy carries with it the need for confidence-sapping and costly interventionist tactics when the going gets rough.

Germany shows its strength

THE GERMANS are on the march again. A record trade surplus of DM 54bn (about £15bn) in 1984, with an even better result forecast this year, is begining to look like another West German economic miracle. By the standards of the real miracle of the 1950s, the current annual growth rate of about 2½ per cent does look puny. In the context of the Europe of the 1980s it is not. The question is whether this amounts to more than a cyclical revival and reflects an initial success in dealing with the structural problems plaguing Germany and Europe.

As in the past, the current burst of German economic activity has been export led. Exports of German goods and services increased by 11 per cent in 1984. A leap of similar dimension is forecast for 1985. But this year domestic investment in plant and equipment is expected to grow even faster. The export-led recovery will have had its effect upon the investment intentions of manufacturing industry.

This pattern shows that the gradual recovery of the world economy and the continued competitiveness of West Germany have been the decisive elements. The former is, of course, beyond German control. The latter is derived largely from a policy mix in which a relatively stringent fiscal policy and a relatively accommodating monetary policy achieved the right balance.

The Government of Dr Helmut Kohl has made it one of its main objectives to staunch the ever-growing budget deficits of the 1970s. The public deficit (at all three levels of government) fell by DM 10bn to DM 37bn in 1984 and a steeper reduction is expected this year.

Subsidies

But even among those who welcome that course of events, the Government's financial management is not uncontroversial. The coalition got itself into a tangle when the courts disallowed a refundable income tax surcharge, the so-called forced loan, and it has not been able to agree on how to plug the DM 2bn hole that the judicial rating left in the accounts.

Moreover, tax cuts promised for 1986 will be designed to help large families rather than tto provide incentives. Subsidies to mining and agriculture remain unduly high. Both deficiencies make it more difficult to tackle the structural problems.

The Bundesbank has hinted that the consolidation of public finances has gone far enough to permit the Government to allocate more money to capital spending. If that advice were to be followed it might be possible to accelerate the painfully slow decline of unemployment, from a (seasonally adjusted) peak of 9.5 per cent in June 1984 to 9 per cent in December. More encouragingly, the number of workers on short time has declined steeply.

Unemployment was a major factor behnid the great engineering and printing strikes of last spring. They have left fewer scars than might have been expected and have probably made the unions less combative, at least for the moment.

Given the evident strength of the German economy at this stage it is only natural to expect the recent weakness of the Deutsche Mark within the European Monetary System to end. The prosect of a revaluation is not immediate, but needs to be reckoned with. There are two reasons why it need not trouble policy makers unduly: the low inflation rate means the real effect of any revaluation would be limited.

Resources

A number of conclusions emerge. Against a background of orderly labour relations even big strikes do less damage than a welter of unforeseeable though smaller disputes. The settlement provided for a flexible handling of the 38½-hour week being introduced, but the engineering union may prove less flexible than hoped for. German industry would suffer if the unions no longer accepted the need for redeployment of human resources to facilitate structural change.

As for industry itself, it has begun to devote increasing energies to modern technology, and specially to its application in traditional fields. But as the troubles of the German steel industry show there still is need to shift resources out of areas suffering from low growth and over-capacity.

The German equity market has begun to modify its hidebound ways and has become a source, however modest as yet, of risk capital in novel industrial activities.

With its evident health the economy has created a basis from which the necessary restructuring process can be managed. The danger is that the current cyclical success may blind everyone to that need.

U.S. FARM SUBSIDIES

The unthinkable comes closer

By Nancy Dunne in Washington and Andrew Gowers in London

THE U.S. Administration and the powerful farm lobbies are girding their loins for what will almost certainly be their biggest political battle in 50 years.

Next month Congress will start writing a new four-year Farm Bill which has to be passed before the end of the year. If the administration has its way, the legislation will be a radical package aimed at eventually removing most government support for farmers at home and challenging agricultural subsidies abroad — particularly in Europe.

No one believes that the Bill will turn out quite like that. American agriculture has been having a hard time for four years now, and it is currently going through its worst crisis since the Great Depression. According to the Federal Reserve Bank of Kansas, one of the suffering states of the midwest, about 4.5 per cent of the nation's 2.4m farmers went bust between April and September of last year.

On the face of it, this hardly sems an auspicious background for a proposal to slash government aid for agriculture. And yet the time for drastic action may be ripe.

The very fact that Mr John Block, the Agriculture Secretary, is seriously prepared to float such an idea indicates that something may have changed in public attitudes to farm support. Had he sent legislation like the proposed 1985 Farm Bill to Capitol Hill four years ago, he would have been laughed or booed out of Congress.

There are *probably* two explanations for the shift:

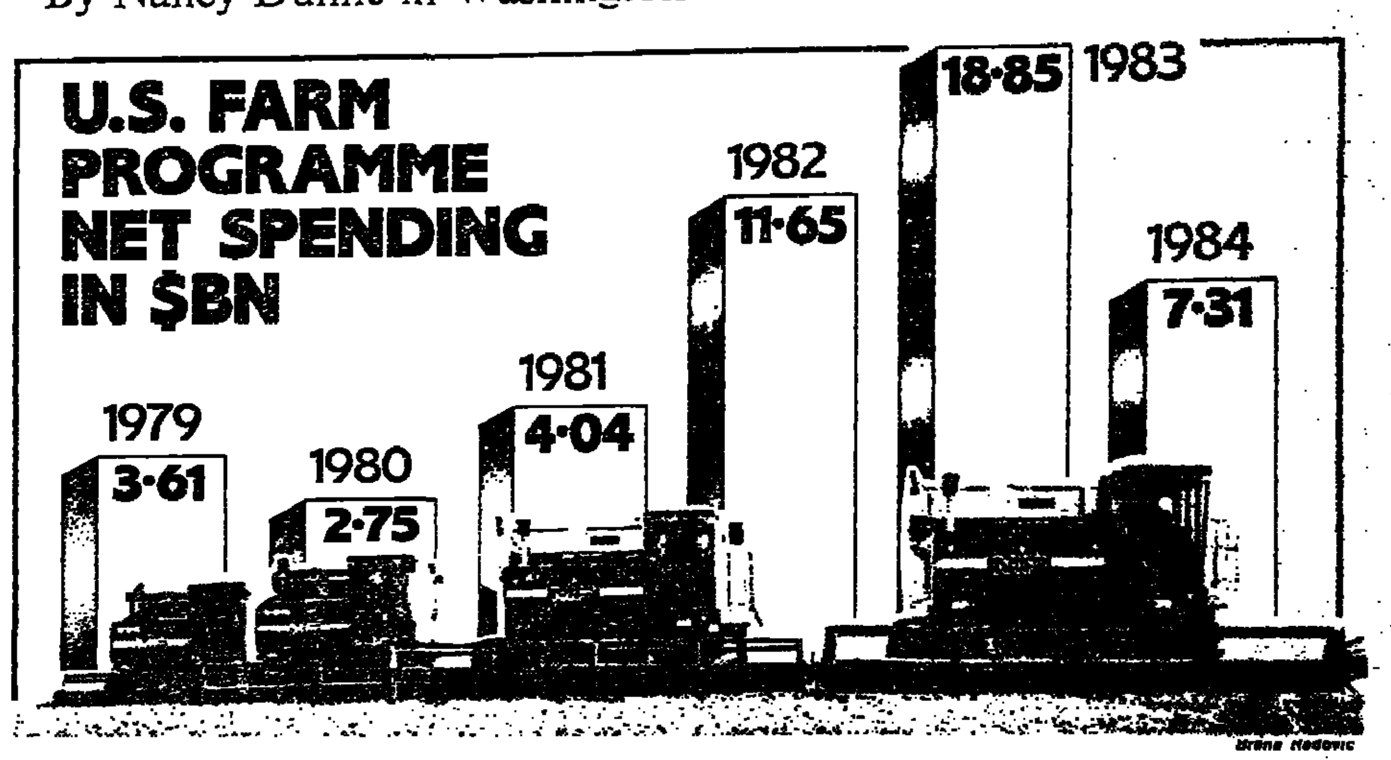
● The most obivous concerns the U.S. federal budget deficit. If there is a consensus on anything as President Ronald Reagan heads into his second term, it is that something needs to be done to curb the yawning gap between government spending and revenue.

The farmers themselves have not been slow to appreciate this. They have been hurt as hard as anyone by the strong dollar and high real interest rates begotten by the deficit.

● At least as important is the palpable failure of successive government farm programmes in recent years. "Everyone who has eyes, whether Republican or Democrat, realises that the current farm programme just doesn't work," says an official of the Senate Foreign Relations Committee.

Disillusionment with government policy hs been growing steadily since at least 1979, when President Jimmy Carter's partial embargo on grain sales to the Soviet Union boosted the cost of farm programmes, brought to an end American dominance of the Soviet market and promoted export expansion by competitors.

The 1981 Farm Bill has emerged as another costly miscalculation. Written mostly by Congress, it assumed that inflation would remain rampant and provided for a system of high price supports and escalating subsidies. The resulting increase in farm surpluses—boosted by two excellent harvests—pushed prices down and dramatically raised the cost of government aid.



Brana Radovic

Finally, after the Republicans did poorly in the 1982 midterm elections, Mr Block launched the most expensive farm programme in U.S. history.

The payment-in-kind (PIK) programme, which paid farmers in cash and crops to leave land fallow, *pushed the total cost of* farm support to nearly $29bn in 1983 (including the cost of crops for which the Government has not yet been reimbursed by Congress). Although it succeeded in slashing maize and soyabean stocks, this was only achieved with the aid of a severe drought.

This raised prices in 1984 enough to reduce the number of subsidies paid by the Government, lowering the net farm spending *programme* to $7.31bn last year.

Mr Block, who never had any great faith in government as the protector of U.S. farmers, sees in these discredited programmes a vindication of his views.

As a result, *his Farm Bill is* likely to propose:

● Phasing out all government subsidies to agriculture by the end of the decade.

● Setting price supports at 75 pre cent of previous years' open market prices—so low that they would only take effect in execeptional circumstances. The price of wheat, for example, would plummet below $2.50 a bushel, a drop of about 90 cents from its present level.

● An end to acreage reduction schemes, which Mr Block says have failed miserably.

● Abolition of the system whereby farmers can forfeit their crops to government reserves instead of repaying loans made to them at hervest time out of *public funds.*

● Continuing support for exports, probably in the form of credits at low interest rates.

● A possible ceiling limiting the amount any one farmer can receive in government handouts to $10,000 or $20,000. This idea is being actively promoted by Mr David Stockman, Mr Reagan's budget director.

Predictably enough, the initial reaction from farmers' organisations has been one of total horror. In a unusual display of unanimity, growers' lobbies for wheat, maize, rice, soyabeans, cotton, peanuts, sugar cane and sugar beet wrote to President Reagan earlier this month denouncing the proposed cap on handouts and abolition of non-recourse loans.

But behind this united front, the farming interests are as divided as ever, and almost all of htem have their reasons for wanting to tamper with the others' support programmes

More importantly, there may be a big split between the politically-influential large producers and grain traders, who could profit by being able to compete more freely on export markets, and the *medium-sized* "family farmers," who are suffering worst.

These competing interests are sure to be reflected in Congress as its agriculture committees start lengthy hearings on the Bill next month. Other voices which are bound to want their say include banks, hit by mounting defaults on farm loans, and the sorely depressed agricultural equipment industry.

On Capitol Hill, clear positions on the Bill have yet to emerge. However, both in the Democrat-dominated House of Representatives and the Republican Senate, there appears to be some consensus on the need to reduce government price supports.

"We have to expose farmers to more of the risks of the marketplace," says Mr Gene Moos, an aide to the House Agriculture Committee.

Mr Jesse Helms, the powerful chairman of the Senate agriculture committee who is writing his own farm bill, is also in favour of lower support prices and is interested in trade promotion schemes. But he opposes a total phasing out of subsidies

One thing is all but certain: Congress, and particularly the House, will find it impossible to resist pressure for special assistance for incomes of medium-sized farmers.

Proposals to aid indebted farmers—such as for an emergency farm credit bill—are pouring into the House committee. Mr Kiki De la Garza, a Democratic Congressman from Texas, who has yet to spell out his specific views on the Bill, says: "I did not become chairman of the House Agriculture Committee to preside over the destruction of the family farm."

Perhaps the most important player in Congress is Mr Robert Dole, the new Senate majority leader. He has yet to show his hand, ostensibly because his priority is getting the 1986 budget passed. But no one has forgotten which state he represents: wheat-growing Kansas.

Congress does not have much time to consider the Bill. Theoretically, it should be passed by September 30, when current legislation lapses. But all observers agree that consensus will only be found slowly and painfully.

Earlier this month, the Minneapolis-based grain trader Cargill published a commentary likening the deliberations to a Superbowl game. The first quarter would be "all blood and flying feathers," it said. Congress was unlikely to start seriously writing its farm bill until the summer, and members would then fight over it "yard by yard" and go into overtime.

It also raised the possibility that the Senate—in which 22 seats are up for re-election in 1986, the first year of the new legislation—could join with the Democrats in proposing another high-cost bill for political reasons. This would almost certainly be vetoed by President Reagan.

WHY THE EUROPEANS MAY PLAY FOR TIME

To the European Community, America's bete noire on world agricultural markets, the planned U.S. farm reforms mean one thing: a sharp increase in trade friction.

European observers are deeply sceptical as to the Farm Bill's chances, and *therefore do not feel any* particular urgency in preparing a response. "My reaction is to wait and see; we know the U.S. farming lobby of old," said Herr Ignaz Kiechle, West Germany's Agriculture Minister.

But as one academic CAP-watcher points out: "Even if they only get half what they intend through Congress, that must promote a continuing clash with the Community."

The Americans and Europeans have been indulging in what amounts to a "phoney war" in agricultural trade for several years now, with the U.S. constantly accusing the EEC of using unfair export subsidies to dump its surplus produce.

In part this has stemmed from the increasing reliance of American farmers on the world market for their livelihood. In 1950, for example, exports accounted for only one third of U.S. wheat production. Now they represent 60 per cent of the total.

But if the proposed Farm Bill gets through, the U.S. industry will be more dependent than ever on exports. This is a prospect which fills EEC officials, themselves struggling to dispose of mounting surpluses, with unease.

One effect of the proposed reforms would be to reduce market prices for such products as cereals. Since much of the Community's agricultural expenditure goes on bridging the gap between EEC and world prices, that could make subsidising exports a good deal more costly.

The strength of the dollar —in which world grain prices are denominated — is the only thing preventing the EEC from having to shell out huge amounts simply to stay in the export business.

"If the dollar fell to the levels it was at three years ago, the U.S. would have a tremendous edge," said a senior official at the European Commission.

But as Mr John Block and his men have already made abundantly clear to Brussels, it is not just a question of increasing competition. The proposed reforms also raise the political stakes substantially.

The U.S. and the Community have agreed to discuss the issue of agricultural subsidies in the General Agreement on Tariffs and Trade (Gatt). But if the Europeans have their way, such talks are likely to move very slowly

This is unlikely to satisfy the U.S. Procrastination by the Community can only increase the Americans' temptation to engage in an export subsidy war.

In the meantime, pressures within Europe point, if anything, to more protectionism.

Although the European Commission has been arguing for years that EEC grain prices should be brought down towards world market levels—the Commission's proposals for this year announced yesterday included a 3.6 per cent cut for most cereals—West Germany, for one, is holding out doggedly against such a cut.

Other countries such as France are pressing for restrictions on imports of American maize gluten, which is used instead of cereals as a protein in animal feed, and for a tax on oils and fats, which would hit the U.S. soyabean industry very hard. The argument is that such moves would be a quid pro quo for the sacrifices which European farmers are being asked to make.

Andrew Gowers

Men and Matters

Ringing in the ears

THE U.S. Goverment is paying the penalty for failing to put two and two together when it gave Moscow a prime piece of Washington real estate for a new Soviet embassy 16 pears ago. The site, perched on the highest hill overlooking the city centre, is now belatedly recognised as "one of the most magnificent vantage points" for electronic eavesdropping, in the words of one U.S. intelligence official.

This week the Pentagon admitted that the boulding, now nearing completion near the intersection of Massachusetts and Wisconsin Avenues, is ideally suited to activities other than the more overt forms of diplomacy, but said it believed it had taken "proper precaucautions."

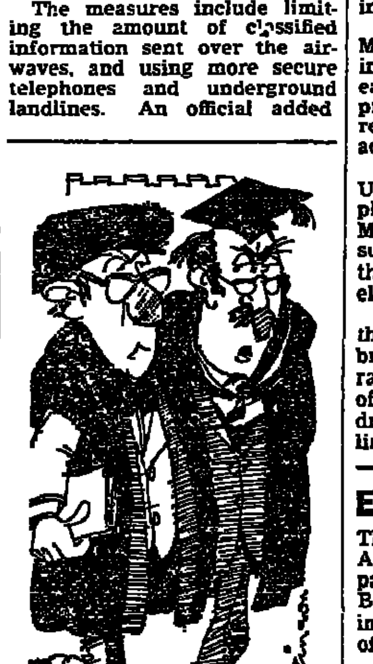
The measures include limiting the amount of classified information sent over the airwaves, and using more secure telephones and underground landlines. An official added mysteriously that buildings could also be "shielded" so that they do not radiate electronic signals.

The site, so magnanimously bestowed on the Russians, was a piece of surplus Federal land that happens to enjoy a clear line of sighe to the State Department, the White House, the Commerce Department, the Pentagon itself and the British, French and West German Embassies. Even the headquarters of the Central Intelligence Agency in suburban Langley, Virginia, is said to be in partial electronic view.

U.S. officials say that when Moscow was handed the prize in the late 1960s, electronic eavesdropping was a relatively primitive business and nobody realised the site's potential advantages.

Nobody, that is, but the Soviet Union, which has taken care to place the new U.S. embassy in Moscow in the middle of town, surrounded by other buildings that will severely blinker its electronic eyes.

Gone are the halcyon days of the 1970s when the U.S. was briefly able to monitor the radio-telephone conversations of Soviet leaders as they drove round Moscow in their limousines.



"I could have understood your objections if it was an honorary degree in economics or sociology . . ."

EBO Hunt

The EBOs sound like a rare African tribe. Well, that is only partly right. They are a tribe. But they are to be found in the impentrable jungle of the City of London.

They are Experienced British Officers—a breed much sort after by American banks and businesses houses just now in order to give an indigenous flavour to their expanding operations in London.

Somerset Gibbs of Directorship Appointments, who left the City to specialise in recruiting senior men and women, says, "We could place half a dozen EBOs tomorrow if we could find the right people."

The changes going on in the City are placing special strains upon the normal hiring processes—as well, it should be said, as offering special opportunities for the ambitious.

In addition to banking and broking, EBO demand is brisk among U.S. companies for City all-rounders and institutional salesmen, Gibbs tells me.

Country style

Are the Greens (the West German environmentalists) just a bunch of closet conservative landowners dressed up in radical clothes?

Those who hold that view can support their argument with the latest property deal of West Germany's fastest-growing political movement.

For an investment of £400,000, the party has acquired a handsome 19th-century schloss on the edge of wooded hills just to the north of Bonn. Set in its own grounds, the villa will serve as a guest and conference centre for Green dignitaries from the provinces who are in the capital on political business.

Built in 1845 by Ernest Friedrich Zwirner, the architect who brought Cologne Cathedral to completion, the schloss has 30 rooms. Green spokesmen say that with a bit of democratic doubling-up, it will lodge up to 60 people at a time.

The only blot on the rural idyll, but a useful stimulus for Green environmentalist souls, is a distant view of the cooling tower of an oil refinery complex.

Perhaps a little shamefaced about their grand purchase, the Greens are claiming the money has been well spent. Anyway, the party is awash with cash. Its god showing in the European elections last June brought in DM 18m in government aid.

Hot gospel

"It's a clean, quiet industry. This material can be handled safely and when it is handled properly it is not dangerous . . ."

Few would guess the subject is nuclear waste, or that the speaker runs the chamber of commerce of an American township which is seeking to store radioactive rubbish as a new local industry.

However, Harold Wyatt, of Edgemont, South Dakota, made it clear recently to the Energy Daily of Washington DC that he knows what he is talking about in arguing for a nuclear waste repository for his town.

Edgemont once moned and processed uranium for nuclear fuel. "The people here are familiar with radioactive material." The town also stored munitions during the second World War.

Wyatt believes a low-level nuclear waste repository would rescue his community of 1,200 from economic decline by providing work for about 200 in a new and enduring industry that would fit into the community, would grow slowly, and would not upset the environment.

A nuclear waste disposal company which has already opened an office at Edgemont on the strength of the local enthusiasm for such a hot new industrial investment says, "the town appears to have the best geological potential of any site we've seen in a long time."

The company adds that it likes the idea of being among folks who make it feel wanted.

Test of time

An employee of a City firm was taking early retirement. At his farewell party, he was presented with a gold watch. "This watch," said the chairman, as he handed it over," was specially made with you in mind. It needs a lot of winding up, it's always slow, and every day at a quarter to five, it stops working."

Observer

ECONOMIC VIEWPOINT

Pay, jobs and the Treasury

By Samuel Brittan

SOONER or later we shall have to turn our attention from currencies and defensive interest rate moves to the real economy, and the familiar problem of pay and jobs.

The appearance of the Treasury's long-awaited paper, *The Relationship between Employment and Wages* may help to do this. The Paper gives rise to two reactions. First, gratitude for a most useful survey, written more readably than one would nowadays expect to find in the academic world and, at only £1, deserving to price itself into a wide readership. But second also, the question that a past Reuters Financial Editor, Sidney Gampel, used to bellow at Treasury briefings: "Chancellor: is this what the Treasury is for?"

The Treasury's primary job is, or should be, to help formulate policy. A quasi-academic *paper might* have value *as* a back-up to announcements of major policies designed to price people into jobs — whether a serious attack on labour market monopoly, a pay freeze, a Layard tax on pay increases, or anything else.

On its own the Paper seems too much like research as a substitute for policy. The build-up is not entirely the Treasury's fault. It is partly the result of the insistence of those who advise MPs, the NEDC and similar bodies that the simplest proposition — eg that the earth goes round the sun — must be justified on a macro-economic forecasting model.

Indeed the last thing I want to argue is that the Paper *should have been* suppressed. On the contary, the Chancellor's greatest single mistake has probably been over-secrecy, which leads the markets to pick up clues from many others who open their mouths a lot.

But in the absence of supporting policies, the correct place for this Paper should have been an ordinary number — of a perhaps more extended and intellectually accessible — series of Treasury Working Papers. Arguments about cause and effect are not appropriate subjects for major state papers, and are likely to divert attention from policy formulation to academic nit-picking.

The Paper is best regarded as an attempt to search out a *pay-jobs* relation in *existing* macro-economic models and other studies.

For market economists, who have never doubted that, other things being equal, higher real pay means fewer jobs, the Treasury's conversion to this view will seem like a Johnny-come-lately.

They will, however, be interested in the Treasury's view of the order of magnitude. This is that if real wages were to be 1 per cent lower as a result of *a drop in the growth of money wages*, employment might be ¼ to ½ per cent higher, implying from 110,000 to 220,000 more jobs. If the fall in real wages comes about through inflation or devaluation, then these favourable results would not be expected.

A sceptical market economist *would regard the numerical* estimates as a reasonably good guess, but would emphasise that the general theory of a job-pay trade-off is far more firmly established than either the specific numbers or the specific channels of causation *highlighted by the Treasury*.

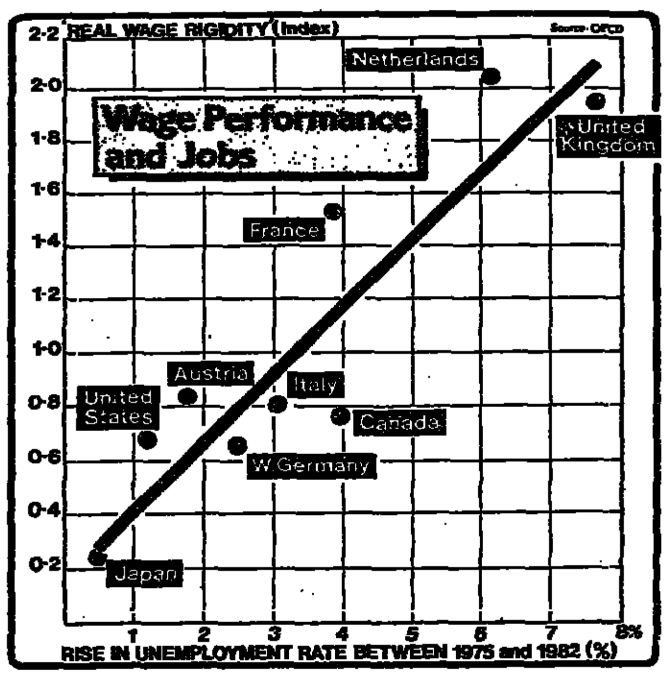
The big missing element in the Treasury Paper is any explanation of *why* wages are set at a *level* which price people out of jobs. Some of the circumlocutions used to avoid referring to union influences, in the interest of being non-political, are quite comic.

Many outside analysts have emphasised that the interests of the unemployed are not represented at the bargaining table. Bargains are struck which provide the best deal the employer can afford for those at work, even if this means that new recruits are not taken on *and natural wastage is* not replaced.

The analysis of the pressures and of the incentives prevailing under different wage-fixing institutions is just as much hard economics (I would say harder) as carrying out simulations on forecasting models, and no more nor less "political."

Another weakness is the lack of reference to time or place. When did real wages become excessive and when did the effects come through into jobs? All the tables and charts show estimated relationships, not actual events.

For this reason, the illustration to my own article comes from a different source, the OECD. It *estimates* "wage



Bob Hutchison

Source OECD · "Wage rigidity" is the responsiveness of nominal wages to short-run price changes divided by their responsiveness to unemployment.

rigidity" in different countries. The UK and the Netherlands show the biggest wage rigidity and the highest unemployment rise. Japan the lowest on both counts. (In OECD terms, a country's wage structure is "rigid" if wages are relatively insensitive to unemployment but highly sensitive to price shocks, such as oil price or VAT increases.)

In contrast to the OECD, the *Treasury study hardly looks* at relative wages. In other words, there is no discussion of whether excessive wages affect some industries or skill categories far more than others.

Common sense suggests that these disparities are very large. Talk of skill shortages suggests that some wages may even be too low.

The most interesting part of the Treasury paper is the first few pages. Here, a simple text-book diagram is used to explain why lower real pay is associated with more employment.

"When real wages fall, employers will seek to use more labour and less of other inputs to produce the same amount of output. New equipment may *similarly be less labour-saving* than it would have been if real wages had stayed at their original level. And there will be substitution between different parts of the economy, as the structure shifts towards more labour-intensive activities, as well as within individual industries and services."

*Secondly, there will be an in*crease in output and a consequential rise in the demands for labour. The second point is not explained very fully and may be confused with the fiscal and monetary policy effects discussed later in thepaper. So let me try with a primitive fable.

Hunters are exchanging animals skins with fishermen, in exchange for some of their catch. The number of fish per skin is their wage. Now suppose that a dominant group of hunters *succeeds* in imposing a price ring in the shape of a minimum rate of exchange between skins and fish higher than the market clearing one. Some of the skins of hunters with less elbow-power remain unsold and the fishermen find it less attractive to sell fish; so they eat more themselves or sit in the sun.

If some Robin Hood figure *destroys the price ring in skins, the quantity of marketable out*put and trade, and thus employment, increases, both among hunters and among fishermen; and this *is nothing to do with* money, interest rates or "demand management."

Moving from this illuminating fable to the *statistical* evidence produced by the Treasury, one finds that it is of two radically different kinds. First, there are summaries of studies by other bodies trying to measure directly the relation between real wages and employment. These have to allow for the fact that "other things are not equal."

Because of rising *productivity it has* been possible for both real pay and employment to grow over a long historical period. Simply removing the *productivity trend is not*, however, sufficient to tell whether or not real wages are too high for full employment. For instance, higher output per employee may reflect not just the advanced technology, but a search for labour substitutes by employers in response to excessive wage growth.

If these attempts are successful, the *ratio of wages to profits* may remain constant and conceal the fact that workers have been priced out of jobs. This *is a trap into which numerous* studies of the so-called "wage" gap, even by the OECD, have fallen.

The second kind of study—where the Treasury obviously has its heart—is the "simulation" of the effects of lower wages in macro-economic forecasting models, such as its own.

These, indeed, show again in employment of the magnitude indicated, but the main effects are induced aggregate demand ones.

There is now, for the first time, an equation in the *Treasury model suggesting that* a fall of 1 per cent in real labour costs, taking output as given, will increase employment by ½ per cent in manufacturing (but strangely only 0.1 per cent in private services).

In the Treasury simulation this substitution of labour in response to lower wages accounts for only 35 to 40 per cent of the employment rise.

The Treasury assumes a once-for-all nominal wage cut *of 3.8 per cent, but a real wages fall by 2 per cent because* prices drop as well.

The rise in output is almost entirely due to lower priecs. These *are supposed to en*courage consumer spending by their effects on real wealth. Moreover, as money supply and *public sector borrowing targets* remain unchanged, there is also scope for interest rate and tax cuts, which stimulate demand further. Indeed, because of price cuts and lower taxes, real take-home pay per employee would only fall by 0.2 per cent —almost a free lunch.

Thus, at the heart of the Treasury's concern is still nominal rather than real wages. The basic message, stripped of verbiage and technicality is: "If only money wages increased less, we could pursue a more expansionary demand policy without inflation, there would be more jobs, and we could all live happily ever after." The message has been the same for the last 40 years.

The question, nevertheless, arises: Why should people be so foolish as to want higher *nominal* wages, merely numbers on pieces of paper? There *is an answer*, certainly not original.

This is that wage bargainers are pursuing a real wage target, which in a money economy they can only do by demanding higher money wages. If their target and initial ability to achieve it is higher than the economy can provide, the result will be (under a permissive *monetary policy) ever-accelerat*ing inflation and currency collapse. High unemployment is needed to bring the real *wage target — and thus their* money wage awards — down to what is possible without an inflationary explosion.

It is for such reasons that my own emphasis remains on real wages, whether aimed at *or actually achieved. Far more* important than the models are the power realities, which lie behind these excessive claims and the question of which institutional changes could bring them into line with reality. Unfortunately, such questions lie beyond the capacity of a rigorous econometric modelling in the Treasury or most other places. We need more political economy as well as more micro-economics, and — dare I say *so? — fewer* "*simulations*."

Lombard

The penalties of motherhood

By Robin Pauley

IN SPITE OF all the advances in the cause of equal opportunity between the sexes the fact remains that they have really been quite marginal in changing the division of responsibility: women have children and therefore most of the problems emanating from career interruption affect women.

But the cost to a family of the problems faced by the mother may be far larger than anybody has previously realised. Apart from the unfairness of the premise that the male has the principal right, and even duty, to work—with the wife fitting in as best she can between family commitments —it could also be a bad financial approach.

In an analysis of women in paid employment for the Centre for Economic Policy Research, Heather Joshi estimates that mothers with average earnings potential lose £50,000 in lifetime earnings by raising two children, rising to £62,000 for three children as the table shows.

These figures affect very large numbers of households. There *are* 10½m "*economically active*" women of whom 90 per cent are in some form of employment, the other 10 per *cent being* registered unemployed.

The most recent edition of Social Trends (HMSO £19.95) shows that about 50 per cent of all married mothers work full or part time. Most work full time until the birth of the first child, and around 90 per cent return to work afterwards, a proportion which has not changed much since the 1940s.

However, Heather Joshi's research shows just what the cost of this interrupted work *pattern is for the women and* families involved. Employed mothers often work part-time while childless women seldom do. Workers who *follow* an uninterrupted career pattern often achieve higher pay rates through promotion, seniority or experience, opportunities which are foregone by women who opt for a period of child-raising. Women returning to work often accept poorly paid, part-time jobs which do not fully utilise their skills or training in order to fit employment into the family roles.

A statistical analysis of a hypothetical adult life pattern by Ms Joshi shows a mother of two spending six fewer years at work than her childless counterpart—close to the statistical findings in Social Trends. This results from the loss of nine years of full-time work offset by a gain of three years of part time. The average hourly pay after age 25 was reduced by 6 per cent, 8 per cent and 11 per cent for mothers of one, two and three children respectively compared with childless counterparts.

Heather Joshi argues for reducing the barriers which make it so difficult to combine employment and domestic responsibilities. Such measures would reduce the cash penalties of becoming a mother and stop the wasteful under-utilisation of skilled female resources in the labour market.

Moving to this position would require some radical rethinking in society about work patterns *coupled with some important* changes from the Treasury—for example, reducing the after-tax cost of child care and at last changing the discriminatory structure of income tax in next month's Budget—a change promised by the Conservatives in 1979 but still unfulfilled.

If the predominantly male preserve of the Treasury thinks this irrelevant it might consider the possible ultimate implication of Heather Joshi's findings: a generation of women who largely avoid motherhood, earn a man-sized pension entitlement to be drawn from the earnings of a *succeeding generation* which will have become too small, because of the consequent decline in child bearing, to sustain such pensions.

Opportunity costs of bearing and rearing children compared to remaining childless over ages 25 to 59

Number of births	1	2	2	3	3
Years between births		2	3	2	3
Years of employment foregone (full-time equivalent)	5.3	6.9	7.4	7.9	9.5
Earned income foregone compared with childless counterpart, £000*	35	46	49	52	62

* 1985 prices assuming £5,000 a year as full-time salary at age 24.

The debate on tax reform

From Mr D. Kidd

Sir, — Mr Arthur (January 26) properly condemns the use of the term "privileged" to describe funds or income not subject to tax. Virtually all discussion of tax reform is now couched in this language which demonstrates a systematic misunderstanding of the nature of taxation. Tax is the appropriation by state coercion of the citizen's property — it is always an invasion of some prior existing proprietary right. For this reason it is always taxation which must be justified, not the absence of tax. The term "privilege" strongly suggests the contrary (a point tacitly accepted by journalists in the context of the proposed imposition of VAT on newspapers and books, which is never referred to *as a removal of a* "generous and anomalous tax concession").

It will, however, be objected that — terminology apart — the existence of property not subject to confiscation causes "economic distortions" and "anomalies." *But this is nothing to the point.* There are always two ways of removing such anomalies. One is, of course, by extending the *scope of confiscation; the other* is by reducing its scope over the relevant range. Thus, take as an example mortgage interest *relief for private residences. If* this is objectionably anomalous, the public-spirited and libertarian way to remove it is by extending relief to all interest paid, as was broadly the case before the Finance Act 1974. The fact that commentators assume that the existence of a tax anomaly shows it must be removed by extending rather than limiting tax imposts demonstrates the prejudice in favour of government that lies at the back of the tax reform movement.

But, it will be protested, the Chancellor cannot remove economic distortions by freeing *property from taxation, for* spending Ministers lack the earnest resolve to cut public expenditure to make that course possible. *Just so. That is pre*cisely why tax reform is indefensible. There are, indeed, arguments for having a low-rate, *no exemption tax régime, and* there are also arguments for having a high-rate multi-exemption system. But there *are no arguments at all for* having a high-rate, no exemption system. Yet this is what without substantial expenditure *cuts the Chancellor is creating.* The applause he receives for removing one necessary exemption and relief after another *reminds me* of what the writer and dramatist, the late J. B. Priestley, said about present attitudes to tax: "We British *are on top of very few lists* these days, but as citizen suckers we have very few rivals. We pay and pay as if we were supporting a government of supermen . . . instead of just blunderers, wasting the millions they bully out of us."

David J. Kidd.
Halpern and Wolf,
301-305, Euston Road, NW1.

Letters to the Editor

Philistinism and VAT

From Bel Mooney

Sir,—In his article, "Why VAT makes more sense" (January 28) Michael Prowse addresses himself—with dismissive brevity—to the question of proposed VAT on books. He rejects the arguments of distinguished members of the Royal Society of Literature (members of which have made public protest against this tax *on reading, on knowledge)* as unconvincing. He implies that books are not a unique case. Readers may judge how convincing his own argument is, from two asides of monumental philistinism.

He asks why taxpayers should be asked to subsidise Mills & Boon fiction, adding, "the fact that historical biography, poetry and scientific research will be helped in the process is hardly compelling." Anyone with any sense of values beyond those of the Stock Market will be compelled by the argument that a nation needs its literature and its learning—and that their *importance far outweighs* the harmless little romances which give pleasure and escape to countless housewives.

He dismisses the claim, made by *serious* economists, that books have a value to the community over and above the *benefit to the individual*, by arguing that such a concession might be pleaded for jogging equipment and makeup, since "*by improving people's appear*ance these benefit the community." Is your correspondent equating the work of Dickens, T. S. Eliot, *Ted Hughes* and Iris Murdoch with tracks suits and lipsticks? If he is, he should be ashamed. If he is not, then *his frivolity is insulting to those* who have mustered telling arguments against VAT on books—arguments with which *Mr Prowse does not deign to* grapple.

It is no wonder we find ourselves in a spiritual malaise (well identified by Lord Stockton) when this country—the cradle of English literature—is in the grip of economists. It *is great* wonder to me that such sentiments find space in a newspaper which publishes, on Saturdays, one of the best books pages in the business.

Bel Mooney.
Glebe House,
Upper Swainswick, Bath.

Rate-capped authorities

From Professor George Jones and Mr T. Travers

Sir,—Mr David Plunkett, the leader of Sheffield City Council, has complained to the Bank of England thta the rate-capped local authorities have to pay higher interest rates in the money markets than other councils. In addition, the rate-capped are virtually excluded from the negotiable bond market.

The rate-capped authorities are lucky to be able to raise *any* money. Some of the leaders of rate-capped authorities (in particular Mr Ted Knight, leader of Lambeth Council) have in recent months made threats of various kinds of non-*compliance with rate-capping*—including the non-repayment of debt interest. These threats have been part of an attempt to *force the Government* to abandon rate-capping.

Rate-capping, though a destructive policy and badly *administered, is the product of* legislation outlined in the Conservatives' manifesto and passed by Parliament. Bad laws should be opposed without recourse to lawlesness (or even to threats to break the law). Threats of possibly illegal behaviour to oppose rate-capping cause immense damage to local government as a whole.

If Mr Knight and other local politicians stop threatening potentially illegal behaviour whether or not they intend to cary out such threats), the rate-capped authorities *should* once again be considered a reasonable risk for lenders. Damage caused to local government as a whole would *also* be reduced.

George Jones (Professor),
Tony Travers,
c/o 7, Furnival Mansions,
Wells Street, W1.

Changing the rules grants

From Messrs P. Jones and R. Mully.

Sir,—*Your timely survey on* regional development (January 25) focuses on concern, widely expressed, about planned *reductions in Government* expenditure on regional financial assistance. Of equal concern, in our view, is the apparently *arbitrary way in which* Government now appears to change the "rules" of the grant process.

The recently announced moratorium on regional development grant (RDG) payment, for example, may cause substantial cash-flow difficulties for companies who have entered into commitments on the basis that grant *will* be available. Similarly, the unexpected suspension of the "support for innovation" grant programme in November 1984 disrupted the plans of companies depending on aid to support high technology projects. If incentive schemes are to exert any influence on business decision-making and project appraisal, surely they must be consistently applied?

We would also raise a technical point. Your guide to the new regional policy arrangements states correctly that RDG will now be paid as either 15 per cent of capital expenditure *or £3,000 per job created*, whichever is most advantageous to the applicant. It is worth noting however, that projects of manufacturing companies, and some service sector projects, will only obtain a grant up to 40 per cent of the capital spend. This places a limit on the grant potential of projects which offer a large number of jobs at a low capital cost.

Peter Jones.
Richard Mully.
Grants Advisory Service,
Deloitte Haskins and Sells,
128, Queen Victoria Street, EC4.

Stately seats

From Mr J. Loudon

Sir,—In the issue of January 26 your journal, which normally I much admire, printed a somewhat insensitive juxtaposition of concepts in the article "Stately seats of learning." This was prefaced by a verse in Noel Coward's "the Stately Homes of England." The article began: "It is becoming steadily more difficult to stand by the stately homes of England," but at the top was a fine photograph of the dining room in, of all places, Bowhill.

Admittedly in the body of the article it is acknowledged that the Duke of Buccluech has (three) fine houses otherwise than in England. *Incidentally*, why is Boughton in "Northamptonshire," whereas Bowhill is "on the Scottish Borders" — what is *wrong* with Selkirkshire? Northamptonshire includes Boughton, has a county cricket team, and Mary Stuart's *grave* is in Peterborough Cathedral, but otherwise it appears to be rather an undistinguished place, viewed from north of the Scottish Border, as you would put it!

It may be that His Grace might concede that Bowhill, in an architectural sense, is hardly on a par with some of the stately homes which rae English, mentioned in the article, such as Kedleston.

John A. Loudon.
7, Rothesay Terrace, Edinburgh.

FINANCIAL TIMES

Thursday January 31 1985

Ian Hargreaves analyses the outcome of a stormy Geneva meeting

Opec remains poised on a precipice

OPEC'S stormy three-day meeting in Geneva has left the oil market relieved that disaster eventually was averted, but still nervous about the outlook for prices.

The oil spot market, buoyed overnight by news that U.S. oil stocks had fallen in response to colder weather, took on its most buoyant tone for weeks when traders' screens first flashed the news of an Opec agreement – at about 11.45am GMT yesterday.

By the time the formal announcement came a few hours later, however, Opec-weary traders and analysts had settled into a more cautious frame of mind. Brent blend for delivery in March ended the day almost where it began at between $26.15 and $26.25 a barrel. February supplies are now very scarce and trading at an artificially high premium. The main Arab crudes were also unchanged.

"The agreement doesn't really go to the heart of the matter," Mr John Thompson, Opec-watcher at stockbrokers Fielding, Newson-Smith, said. "The market really was looking for more on differentials and, in the medium term, there's still the problem of oversupply."

That, however, may be a little churlish, given the doubt which existed before the Geneva talks as to whether Opec would succeed in reaching any kind of agreement. The picture at noon yesterday was certainly much better than 48 hours earlier when Dr Mana Said Al-Otaiba, the United Arab Emirates Oil Minister, slammed the conference room door behind him and said he was going home.

"Agreement is better than no agreement," Mehdi Vazi, of Grieveson Grant, said. "And they have got the most important people in the agreement – Nigeria is there."

It is true that the absence of Algeria, Libya and Iran from the concordat probably does not matter – they are price followers rather than leaders in the spot market – but it is also true that yesterday's agreement on differentials is a side issue. What matters is Opec's 16m barrels a day (b/d) production ceiling. If that is not sustained at least until the spring, Opec will merely have deferred rather than resolved its crisis.

Estimates of Opec production in January vary widely, between 14.5m b/d and 16m b/d, and interpretations of the significance of those figures are equally diverse. In Mr Thompson's view, for example, low Opec production merely reflects the fact that much Opec and especially Saudi oil, was overpriced in the market and was impossible to sell.

Whether Opec states can continue to show restraint as the gap narrows between their own, lower official prices (the differentials package means a cut of 29 cents in the average Opec barrel) and a firmer spot market is the most important question in the coming weeks.

It will also fairly quickly become evident whether the new pricing system means any more than the old one. The cut in Saudi Light should make it easier for that country to sell oil, but it is difficult to see how Nigeria can sell its Bonny Light crude at any figure remotely resembling the $28.65 price set in Geneva yesterday.

Bonny Light for March delivery was available at $27 a barrel yesterday and will no doubt be available at the same price today. Nor has the gap between light and heavy crude prices changed sufficiently to make much difference to the marketing of light crudes – the gap between the official price of Bonny Light and Arabian Heavy is the same today as it was yesterday. The Arabian differentials have been tightened but not sufficiently to make a radical difference to refiners' purchasing patterns.

In practice, the selection of $28.65 for Nigeria's price must be political. By fixing Bonny at exactly the same price as Britain's price for Brent in the final quarter of 1984 – before the British National Oil Corporation (BNOC) lost its term customers and switched to spot-related customer prices – the Opec gauntlet has well and truly landed in London.

The response should be known in the next few days, when BNOC informs its North Sea suppliers of the price it will pay retrospectively for oil delivered in January.

The betting in the oil market yesterday was that BNOC would go for $28.65 and immediately land the British Government with a bill of about $40m in January trading losses – the price of even a one-month friendly gesture to Opec.

There are a number of other developments to watch for in the next few days among the non-Opec producers.

Without any doubt, however, the most important indicator to watch is the most difficult one to determine – the volume of Opec production. The big oil companies and the professional surveillance companies will count the tankers; Opec's own monitors will do their work, and the market, as usual, will be guessing at the truth. If Opec holds firm below 16m barrels, there is just a chance that the oil market will keep its balance. Opec, for all its hard-won agreement in Geneva, is still very much on the precipice.

Barclays to sell stake in Bank of Scotland

By David Lascelles in London

BARCLAYS BANK has decided to end its longstanding alliance with Bank of Scotland by selling its 34.3 per cent stake. The purchaser in a £155m ($173m) deal announced yesterday is Standard Life, a leading Edinburgh-based mutual assurance company.

The switch in shareholding will consolidate Scotland's financial services industry, and it puts the English bank in a better position to pursue fresh markets in Scotland.

Barclays, which has owned the stake since 1969, said it regretted severing the link because it had been friendly and profitable. But "with its increasing activity in Scotland and with the operations of the Bank of Scotland in England, this strategic stake is no longer appropriate."

Last year, Barclays located a regional director in Glasgow, and it may expand its Scottish network of four branches. Bank of Scotland has aggressively attacked the English market in the past year or two but has used new means such as electronic banking and alliances with building societies rather than opening branches.

The alternative to a sell-out – a complete merger of Barclays and Bank of Scotland – was probably not feasible for monopoly reasons. Sir Timothy Bevan, Barclays chairman, said yesterday: "We never seriously asked the question whether to buy the whole of the bank."

The decision to sell was taken towards the end of last year, he said, and the deal had been struck quite quickly after an approach from Standard Life, the only substantial deal Barclays had received.

Standard Life said it wanted a strategic investment in the financial services industry and would explore ways of co-operating with the bank. But it did not intend to interfere in the running of the bank or mount a takeover.

The sale price is equivalent to 550p a share, well above the 470p at which Bank of Scotland stock traded before the announcement and a premium of some 20 per cent over the bank's net asset value. After the news it gained 20p to 490p.

Barclays is expected to clear £125m after tax. This dispelled recent worries on the London Stock Exchange that the bank was planning a rights issue to boost its capital, and Barclays stock gained 30p to close at 633p. Barclays is believed to have carried the stake on its books at £110m. In 1983, its share of Bank of Scotland profits was £18m.

Bank of Scotland, which is slightly smaller than its local rival, the Royal Bank of Scotland, is regarded as one of the most go-ahead banks in the UK. But to grow it has had to fight its way into the English market. Yesterday it welcomed the new opportunities

News analysis, Page 7; See Lex

Ford to merge South African operation with local group

BY JIM JONES IN JOHANNESBURG

FORD MOTOR of South Africa and Amcar, respectively the country's second and third largest manufacturers of motor vehicles, have agreed to merge in a bid to stem losses at both companies.

Rationalisation of their combined operations is expected to lead to the loss of over 2,000 jobs, mainly in the Port Elizabeth area.

The merger comes after months of speculation that Ford planned to divest from South Africa in response to pressure from U.S. anti-apartheid groups.

Mr Lindsey Halstead, Ford's vice-president for South Africa, said, however, that this was not the company's intention, although Ford will be the minority holder with a 40 per cent stake in the merged group and does not intend to make any further investment in South Africa.

"Ford opposes divestment as it would be a disservice to all the peoples of South Africa," said Mr Halstead. Nevertheless the impression left locally is that Ford has taken at least one step back from local involvement.

Amcar, the majority holder in the new grouping, is an Anglo American group subsidiary which was formed after the takeover of the Peugeot, Citroën and Chrysler operations in 1978. Amcar's losses have been growing rapidly, from R69m ($33.9m) in 1983 to an expected R100m last year.

Together the two companies will form the South African Motor Corporation (Samcor) with annual turnover of about R1bn and a workforce of about 7,000.

Samcor needs an injection of R200m in shareholders' funds. Ford is to put up its unspecified share of this by the conversion of subordinated debt into equity. Any further equity demands are to be met the same way. Ford seems insistent that it will not place any fresh funds in South Africa.

Samcor is to regulate its labour relations in accordance with the Sullivan Code – drawn up to guide the operations of U.S. companies in South Africa. The monitoring of Samcor's compliance with the code would be handled in the same way as it was at present for Ford.

According to Mr Leslie Boyd of Amcar, who has also been named as chairman of Samcor, the merger and the rationalisation measures reflect the overcrowded South African car and truck market.

Eleven motor manufacturers and 17 truck makers compete with some 43 models for a market in which annual car sales are about 250,000 and trucks about 150,000. By comparison Mr Boyd mentioned Brazil, with a combined truck and car market of 720,000.

Pacific American losses 'may be $200m'

By William Hall in New York

TOTAL LOSSES following last week's collapse of the Pacific American Insurance Company could be as high as $200m, say Delaware state insurance officials who are working with insurance agencies in Arizona, Texas, Utah and London to unravel an alleged fraud which has already cost Bank of America $37m.

Bank of America is suing Pacific American for $77m in connection with non-payment of loan guarantees, and while the bank stresses that its $37m provision is sufficient to cover its own losses, Mr David Levinson, Delaware's insurance commissioner, said yesterday that total losses for all the parties involved in the Pacific American affair could rise to between $100m and $200m.

Mr Levinson, who put the Delaware-registered Pacific American Insurance Company into liquidation last week, said that the company had been involved in deals in which apartment projects were purchased, insured for more than they were worth and then packaged into pools of mortgages, which were sold.

Bank of America has said little about its involvement in the complex affair but has confirmed that it is co-operating with the Federal Bureau of Investigation and has set up its own task force to come to "satisfactory arrangements" with aggrieved investors.

In a prepared statement yesterday, it said that in 1982 it began acting as an escrow agent for pools of mortgage loans packaged by another company and used by that company as collateral for mortgage-backed certificates of deposit sold to institutional investors. The packages later proved to be faulty.

According to widespread reports in the U.S., the National Mortgage Equity Company put together the packages of mortgage-backed securities, which were then insured by Pacific American.

Bank of America acted as trustee for the certificates and has confirmed that its fourth-quarter charge has resulted from the expected cost of honouring the securities sold to various banks and savings and loans.

Lawson pledge on inflation

Continued from Page 1

the Government was prepared to take risks with inflation, and that it was under irresistible pressure to change its policy.

That was a complete misunderstanding: to abandon the battle against inflation would be the worst possible recipe for new jobs.

Mr Lawson added: "Be that as it may, after the events of this month, the Government's willingness to take the action that is necessary to maintain downward pressure on inflation should be clear to all."

Mr Lawson repeated that the Government had no target for the exchange rate, but said that a "significant depreciation" of the pound would ease financial conditions and inject an inflationary impulse into the economy, "making it all the more important to keep the monetary aggregates well within their target ranges."

Mr Lawson also sought to reassure foreign investors that the British economy was in basically good health. Inflation was down, growth was steady, and exports and investment had been picking up sharply, he said.

● The recent fall in the pound might not have been so dramatic if sterling belonged to the European Monetary System, the Governor of the Bank of England said last night, because it would have been more difficult for people to speculate against it.

Mr Robin Leigh-Pemberton said, however, that membership might have strained the EMS, and he believed the question of whether Britain should join it was above all a political decision.

Opec agrees new pricing structure

Continued from Page 1

tic basin broke loose from Opec's structure and loosened the organisation's grip on world oil prices.

Britain has not had an official oil price since the end of last year, while BNOC has been prevented by the UK Government from moving to an even lower spot market-related price. By getting Nigeria to accept a price of $28.65 for its Bonny Light, Opec is challenging Britain to announce unchanged North Sea official prices and return under the Opec pricing umbrella.

There was considerable scepticism in the oil industry yesterday, however, about Nigeria's ability to sell sufficient oil in February at the new higher price to meet the demands either of its creditors or of its own people.

It is almost certain that if the UK does cut its prices to the levels currently obtained on the spot market, then Nigeria would follow and Opec's new strategy would be wrecked. The Nigerian Minister has warned repeatedly: "Nigeria has two feet in Opec but two eyes on the North Sea."

Sheikh Yamani, in an ebullient performance after the meeting, said that Opec "does not expect the UK to reduce its prices."

Laura Raun in Amsterdam writes: Klynveld Kraayenhof and Co., a leading Dutch accountancy firm, has been chosen by Opec to monitor members' compliance with its price and production agreements.

Ian Hargreaves in London writes: Spot oil prices at first rose sharply in response to the Opec agreement, but by the end of the day were little changed in the European market.

Price cuts for farmers

Continued from Page 1

due to growing surpluses in several key commodity sectors, forcing a supplementary budget of Ecu 1.8bn to be raised. This occurred despite favourable dollar rates and stringent controls on spending by Commission market managers.

Mr Andriessen said the proposals would mean a price freeze for consumers, but added: "For farmers and indeed farm ministers this is not going to be an easy decision."

The price changes range from a 2 per cent rise for olive oil to cuts of as much as 6 per cent for some fruit and vegetables, notably citrus and tomatoes. The great majority of products, including all meats, wine, sugar and most grades of tobacco, will maintain current prices.

In drawing up the proposals Mr Andriessen has sought to balance the interests of Mediterranean farmers with those of the temperate north of the Community. Nevertheless, the plan is certain to draw severe criticism from all sections of the farming lobby.

Copa, the confederation of farmers' unions, had called for a 3 per cent to 4 per cent increase, claiming that a 7.8 per cent rise would be needed to maintain farmers' incomes at present levels.

There is also expected to be a serious confrontation between member states over the 3.6 per cent cut in cereal prices. Herr Ignaz Kiechle, the West German Farm Minister, has repeated publicly that Bonn would not accept any cut in prices for its cereal farmers.

Mr Michael Jopling, his British counterpart, insists, however, that a full 5 per cent price cut should be enforced according to rules triggered by this year's bumper 148m tonne harvest.

Cereals and the growing cost of rapeseed support – also cut by 3.6 per cent – look set to become main issues when the ministers draw their final conclusions in March. There is also expected to be substantial pressure from Italians and Greeks to reduce the price restraints on fruit and vegetables.

Agri-monetary changes will also fuel national tensions. The package requires Germany and the Netherlands to reduce their Monetary Compensatory Amounts (MCAs), or border subsidies, for milk and cereals. This will lead to further price cuts of 1 per cent for dairy products and 0.5 per cent on cereal for these countries.

On the other hand, a devaluation of the "green franc" for France will give farmers additional rises of 1 per cent on milk prices and almost 2 per cent on other products, except pork and wine. Greece will also benefit.

Britain is certain to oppose part of the Commission's plan aimed at removing its unique deficiency payment system for beef, on the grounds that such a move would add as much as 10 per cent to prices and reduce sales.

The package now passes to farm ministers for a decision by the end of March.

Bonn plans further tax cuts

Continued from Page 1

The Economics Ministry reckons that capital spending will join foreign demand as a key support for the economy. Last year, corporate investment fell short of expectations but in 1985 the hope is of an increase of 6 to 7 per cent in real terms.

That trend, coupled with the difficulties for companies in squeezing extra productivity out of their existing workforces, should, according to Herr Bangemann, help towards a drop of as much as 100,000 in the number of unemployed.

The Government plans to pay even more attention to the politically charged and emotional environment issue – leading Herr Bangemann to talk of an "ecological market economy." But its first steps in that direction have not been happy. Its convoluted incentives scheme to favour low-polluting cars has generated such uncertainty that car sales in West Germany – some producers claim – might be reduced by as many as 600,000 units this year in the general confusion over what is intended.

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	-	—	—	Dubrovnik	S	13	55	Malaga	-	—	—	Salzburg	R	1	34
Akrotiri	C	17	63	Faro	S	16	61	Malta	-	—	—	Seoul	S	-9	16
Algiers	F	15	59	Florence	-	—	—	Manila	S	30	86	Singapore	R	31	88
Amsterdam	S	8	46	Frankfurt	F	10	50	Miami	S	12	54	Stockholm	-	—	—
Athens	F	8	46	Funchal	F	17	63	Milan	-	—	—	Strasbourg	R	9	48
Bahrain	S	21	70	Geneva	C	5	41	Moscow	C	-4	25	Sydney	S	29	84
Bangkok	S	32	90	Gibraltar	C	15	59	Munich	R	4	39	Taipei	R	11	52
Barcelona	-	—	—	Guernsey	C	9	48	Nairobi	F	28	82	Tangier	-	—	—
Beirut	R	14	57	Helsinki	C	0	32	Naples	-	—	—	Tehran	-	—	—
Belgrade	F	4	39	H Kong	C	15	59	New Delhi	S	20	68	Tel Aviv	S	18	64
Berlin	C	6	43	Innsbruck	C	0	32	New York	F	-4	25	Tenerife	-	—	—
Biarritz	-	—	—	Inverness	F	7	45	Nice	-	—	—	Tokyo	S	3	37
Blackpool	C	8	46	Istanbul	R	5	41	Oporto	S	14	57	Toronto	Sn	-9	16
Bordeaux	-	—	—	Jersey	C	9	48	Oslo	C	-1	30	Tunis	C	14	57
Brussels	F	8	46	Jo'burg	F	27	81	Paris	F	11	52	Valencia	-	—	—
Budapest	C	2	36	Las Palmas	-	—	—	Prague	D	2	36	Venice	-	—	—
B Aires	C	27	81	Lima	F	25	77	Reykjavik	C	-3	27	Vienna	Sn	0	32
Cairo	S	20	68	Lisbon	S	12	54	Rio de J'o	C	30	86	Warsaw	Sn	1	34
Cape Town	S	22	72	Locarno	C	1	34	Rome	S	13	55	Zurich	C	3	37
Caracas	C	26	79	London	C	8	46								
Casablanca	F	14	57	Los Angeles	C	8	46								
Copenhagen	C	1	34	Luxembourg	S	8	46								
Corfu	S	14	57	Madrid	F	7	45								
Dublin	F	11	52	Majorca	-	—	—								

Readings at mid-day yesterday:

C–Cloudy D–Drizzle F–Fair Fg–Fog R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

THE LEX COLUMN

A marriage made in Edinburgh

Yesterday's placing by Barclays Bank of its holding in Bank of Scotland with Standard Life (also of Scotland) would appear to be in the best interest of those responsible for all three parties.

Barclays has gained the handsome price of 550p a share, 80p up on Tuesday's closing price, in disposing of a hindrance in its efforts to expand into Scotland. In the process it has improved its ratio of free shareholders' funds to public liabilities by a fifth of 1 per cent, and convinced yesterday's convalescent market that a rights issue is much less likely. Its share price yesterday rose 30p to 633p, cutting the gap in its prospective multiple *vis-a-vis* NatWest by nearly half.

Standard Life has gained the stake it wants in a bank it holds to be well managed and forward-looking. That the holding corresponds to only 28 per cent of the voting rights in Bank of Scotland saves Standard Life the bother of launching a bid, which it does not want to do. Eventually, perhaps, it might even sell life assurance through the bank's home network among other refinements of the future industry.

Meanwhile Bank of Scotland can be free to expand into England or overseas markets without competition (or advice) from its main shareholder. Standard Life can be presumed to be even more deaf to offers than Barclays ever was.

The engagement of these two eminently sedate parties of the same parish, while satisfactory to its matchmakers and Edinburgh society, may not be in everybody's interests. Barclays has clearly gained a splendid price for its shareholders, but the policyholders of Standard Life may not consider it so splendid to have their funds locked into a long-term and defensive investment.

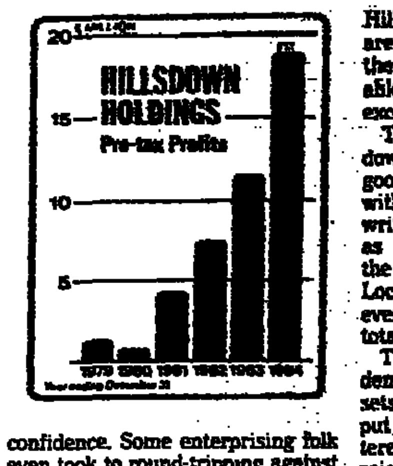
Meanwhile the shareholders of Bank of Scotland, however patriotic, may one day regret that their bank has been fortified for years against the attentions of a foreigner.

Union Discount

Union Discount timed the announcement of its preliminary results with all the finesse – and luck – which has seen the company through to this, its centenary year. The UK discount market enjoyed its best trading session for months and by the end of the day was looking forward to a base rate cut with confidence. Some enterprising folk even took to round-tripping against the Government in certificates of tax deposit until the Bank of England sternly put an end to such unhelpful behaviour.

Any discount house can make money in conditions like yesterday's; Union's particular skill is in containing the damage when rates are rising, and that quality was fully in evidence in yesterday's results. Disclosed earnings have risen 30 per cent to £7.9m, and the company has apparently escaped with only superficial wounds from the recent 4½-point rise in base rates.

Union is anxious to play a role in the gilt-edged market and, by displaying a year-end book of over £3bn, is signalling to all concerned that it has plenty of capital for the purpose. But, after yesterday's 40p rise in the share price to 720p, Union may just conclude that a little extra would come in handy.



Hillsdown

The roll of companies bought by Hillsdown Holdings in the last few years is a sort of obituary list for the food manufacturing industry. From Lockwoods to the Telfers meat processing business bought for £1 from Unigate last year, the Hillsdown purchases were almost uniformly loss-making when acquired and the despair of their former owners.

Given this history, Hillsdown's arrival in the stock market – capitalised at a minimum £189m after next week's tender – is like a piece of corporate necromancy. It is not a proposition for the squeamish; in order to get results an awful lot of inefficient managers and surplus poultry have come to a sticky end. But with the exception of Telfers, Hillsdown's unpromising recruits are all up and profit-making, while the group is perhaps surprisingly able to show shareholder equity in excess of £100m.

That is partly a tribute to Hillsdown's skill in buying: the negative goodwill which came from Imperial with the poultry business has been written back into Hillsdown's books as a £40m surplus reserve, while the excess stock that came in from Lockwoods at a receiver's price eventually realised more than the total cost of the company.

The Hillsdown management has demonstrated that it can pick up assets that would frighten others and put them to profitable use. With interest savings on the new money raised in the tender and more rationalisation coming through, there should also be decent profit growth this year – and an approach that gives marketing the nod over production is encouraging for the longer term. Hillsdown should certainly start at a slight premium to the rest of the food industry – whatever that is worth a week from now.

W.H. Smith

W.H. Smith did less well out of last year's shoppers spree than many of its retailing competitors. In the six months to last December, pre-tax profits, net of property sales, rose just 8 per cent to £18.2m on turnover up by slightly less. Net margins, meanwhile, have not budged.

Yet Smith sees itself as a go-go company, judging by its capital expenditure, which is more than twice depreciation. And despite the odd mishap in the last few years, it is still intent on diversification.

There is indeed room for profits growth in the new DIY stores and for margin-widening in Smith shops once electronic point-of-sale systems are installed. But wholesaling and traditional retailing must be approaching maturity, particularly with the tailing-off of personal computer sales. And there is apparently little fat left to be trimmed from central overheads.

Yet the prospective multiple of 13½, assuming £42m pre-tax for the year, seems to suggest a profits growth rate of more than the expected 9 per cent. Or perhaps there is just a hint of bid speculation in the shares, which fell 2p to 198p yesterday. Looking at the figures, potential predators might well think twice.

Published by The Financial Times (Europe) Ltd., Frankfurt Branch, represented by E. Hugo, Frankfurt/Main, and, as members of the Board of Directors, F. Barlow, R.A.F. McClean, G.T.S. Damer, M.C. Gorman, D.E.P. Palmer, London. Printer: Frankfurter Societäts-Druckerei GmbH, Frankfurt/Main. Responsible editor: C.E.P. Smith, Frankfurt/Main. © The Financial Times Ltd, 1985.

SECTION II – INTERNATIONAL COMPANIES
FINANCIAL TIMES
Thursday January 31 1985

Siemens rises to DM 1bn at year-end

By John Davies in Frankfurt

SIEMENS, the West German electrical and computer concern, boosted group net profits in its last financial year by nearly a third to DM 1.066bn ($336m), against DM 802m in 1982-83.

The company, which has already announced a dividend increase, is also raising DM 280m in a one-for-17 rights issue at a price of DM 100 for each share with a nominal value of DM 50.

Siemens disclosed late last year that its sales revenue rose 16 per cent to DM 45.8bn in the financial year to September 30, although the increase was inflated by the final settlement for two nuclear power plants.

The company broke with tradition by lifting its dividend for the last financial year to DM 10 per share, ending a 12-year period during which it made an unchanged DM 8 payout.

The rights issue, which had been expected, is the first since Siemens raised DM 220m in 1983 and carries full dividend rights for the current financial year. It is the last tranche of a capital increase which received formal shareholder approval in 1981.

Siemens has made rights issues at favourable prices to give shareholders an additional benefit while dividends have been held steady. There is speculation that a more profit-orientated dividend policy may affect the pricing of future rights issues.

The company has embarked on a major drive to boost investment and innovation, particularly to develop and manufacture more powerful microchips, but it is already well stocked with financial resources.

It has revealed that it is strengthening its financial position even more by putting DM 363m into the parent company's reserves out of last year's earnings

Xerox hit by insurance and disk drive losses

BY ANDREW BAXTER IN NEW YORK

XEROX, the world's biggest copying equipment manufacturer, suffered a 38 per cent drop in 1984 net profits, reflecting continuing losses at its insurance unit and $85m in losses and write-offs related to the discontinued Shugart disk drive business.

The Stamford, Connecticut-based concern yesterday reported 1984 net earnings of $291m or $2.53 a share, down from $466m or $4.42 in 1983. Even without the Shugart charge, net income from continuing operations was down 23 per cent from $491m to $376m.

In the fourth quarter, when the $85m write-offs were taken, there was a final net loss of $12m or 26 cents a share, compared with net profits of $73m or 64 cents. Net profits from continuing operations fell from $82m to $61m.

Revenue from continuing operations rose from $2.2bn to $2.5bn in the quarter, and from $8.3bn to $8.8bn in the year.

Crum & Forster, the company's insurance subsidiary, has been hit by the squeeze on prices in the property and casualty sector. It lost $10m in 1984, including capital gains of $40m. This compares with net income of $145m, including $36m in capital gains, in 1983.

Fourth-quarter losses at the insurance unit were $23m against profits of $26m in the 1983 period and $3m in the third period of 1984. The latest figures reflect changes in estimated settlement costs for outstanding claims.

Xerox said, however, that it had been implementing an aggressive pricing programme in the troubled commercial area and tightening underwriting standards. Over time, the company added, these actions should significantly improve profitability.

In contrast, net income from Xerox's other financial services, the investment bank Van Kampen Merritt and Xerox Credit, rose to $20m in the fourth quarter and $78m in the year. Meanwhile, Xerox's main business, reprographics and information systems, made steady progress, with income from continuing operations up 8 per cent to $354m in the year and 43 per cent to $75m in the fourth quarter.

The company's new Series 10 copiers had been highly successful, while sales of the popular Memorywriter electronic typewriters grew more than 50 per cent in the year, Xerox said.

Battle looms at Datapoint as investor seeks to oust board

BY OUR NEW YORK STAFF

A BITTER battle for control of Datapoint, the Texas-based computer products group, is looming following a decision yesterday by Mr Asher Edelman, the New York investor, to withdraw his $464m bid for the company and seek removal of the entire board.

The move is the result of a sudden deterioration in relations between the two sides, sparked by a letter at the end of last week from Mr Edelman to Mr Harold O'Kelley, Datapoint's chairman and chief executive, in which he threatens to "solicit consents" from shareholders. This is a process similar to soliciting proxies.

It now seems inevitable that Datapoint will be embroiled in a similar battle to others waged by Mr Edelman, including his successful assault in 1983 on Canal-Randolph, the U.S. property company now being liquidated.

Mr Edelman, who has 10.8 per cent of Datapoint's shares, offered $23 a share, or $416.3m, for the rest of the company earlier this month. However, Datapoint refused to accept the offer as a firm bid because of conditions attached.

It later emerged that Mr Edelman was in talks with Continental Telecom, the Atlanta-based telecommunications group, which is believed to be interested in Datapoint's maintenance and service operations. He has also held talks with other companies.

Last week Mr O'Kelley said Mr Edelman's proposal had disrupted the company's marketing efforts. On Tuesday, following Mr Edelman's threat to solicit consents, Datapoint's board voted unanimously to amend its bylaws to require 90 days' notice to the company before any shareholder can solicit consents.

In a letter to shareholders – including a number of European investors – Mr O'Kelley said the amendment gives Datapoint management "the time necessary to protect your economic interests and to continue its discussions and negotiations for a suitable purchaser or purchasers for Datapoint's operations."

Mr Edelman said yesterday: "I think it is irresponsible and perhaps illegal for the board of directors to change the bylaws in this way at this time."

Brewery move hits Philip Morris

By Paul Taylor in New York

PHILIP MORRIS, the U.S. cigarette and drinks group, yesterday reported a sharp fall in fourth-quarter net earnings.

The decline reflects its previously announced decision to take a $145.6m after-tax write-off to cover the costs of a new brewery which has been mothballed because of lack of demand.

The group said fourth-quarter earnings after the write-off, equivalent to $1.19 a share, fell to $104.5m or 85 cents a share from $211.4m or $1.68 on revenues which increased to $3.29bn from $3.09bn in the year-ago period.

For the full year Philip Morris reported net earnings of $888.5m or $7.24 on revenues of $13.8bn, compared with net earnings of $903.5m or $7.17 a share on revenues of $12.98bn in 1983.

Mr Hamish Maxwell, the group's chairman and chief executive, said cigarette unit sales in the U.S. increased by 3.4 per cent last year to 211.6bn and Philip Morris' market share grew to 35.3 per cent.

International cigarette volume increased by 5.5 per cent to 258.2bn units with the company claiming market share gains in most of the world's largest markets.

Mr Maxwell added that Miller Brewing had a slight increase in barrel volume and in operating revenue but there was a "substantial" decline in operating income over 1983.

Shipments last year totalled 37.52m barrels, compared with 37.47m the previous year.

Seven-Up, the group's major soft-drinks unit, reported a 12.9 per cent increase in revenues to $734m and operating income in 1984 of $5.3m. This is the first time since 1979, when Philip Morris acquired the unit, that Seven-Up has reported an operating profit.

Du Pont advances 27% despite year-end slide

BY PAUL TAYLOR IN NEW YORK

DU PONT, the largest U.S. chemical group, yesterday reported a 10 per cent decline in fourth-quarter net income, reflecting the economic downturn and pricing pressures. It said, however, that full-year earnings grew by 27 per cent despite the adverse impact of the strong dollar on sales volume and prices, particularly in the domestic textiles market.

The group, which is based at Wilmington, Delaware, said fourth-quarter net income fell to $306m or $1.26 a share from $341m or $1.42 on sales which declined by 3 per cent to $8.8bn from $9.1bn a year earlier.

Mr Edward Jefferson, Du Pont's chairman, said: "Fourth-quarter results were lower than anticipated primarily because of some weakness in the industrial sector of the economy, which resulted in lower demand and price erosion for many of our industrial and speciality businesses. In addition weaker-than-expected product prices impaired margins for refined petroleum products."

For the full year Du Pont reported net earnings of $1.43bn or $5.93, compared with $1.13bn or $4.70 on sales which were flat at $35.9m, against $35.4m in 1983.

Mr Jefferson said: "Even with reduced demand in the third and fourth quarters, earnings for the year were well ahead of 1983. Our results reflected the favourable effects of cost reduction and efficiency-improvement programmes.

"Despite the improvement, many businesses continued to experience the adverse effects of the over-valued dollar, which has constrained volume and caused some price erosion in both domestic and international markets."

He added that the domestic textiles market was particularly hard hit, with 1984 imports of textiles and clothing inceasing by about 35 per cent over the 1983 level.

The chairman, looking ahead to 1985, noted that the economy "does not have the momentum which produced the strong business growth during the first half of 1984." He added that there were continuing uncertainties over the outlook for petroleum prices.

Mr Jefferson pointed out that the group was encouraged by the recent decline in interest rates "which should help moderate the extreme overvaluation of the U.S. dollar and accelerate growth in the U.S. economy."

Terry Dodsworth in New York adds: Du Pont is seeking early retirement of between 4,500 and 6,500 employees as a result of a new incentive programme designed to increase pension benefits.

In the current quarter the group is planning to charge $125m pre-tax to fund the programme, but says that savings in the remainder of the year should exceed $225m.

Case and Harvester product lines in Britain to be merged

BY IAN RODGER IN LONDON

THE FARM equipment product lines and dealer networks of J. I. Case and International Harvester in Britain are to be merged and rationalised following the $430m acquisition last November by Tenneco, Case's U.S. parent, of IH's tractor and implements business.

But all three British factories of the two groups will remain open. IH's plant is at Doncaster and Case has operations at Meltham near Huddersfield and Leigh near Manchester.

Mr John Gleason, senior vice-president of Case Europe, said there might be some job losses at the plants as the worldwide rationalisation of the Case and IH businesses continued, but not for some time. About 3,300 are employed at the Casc plants and just over 2,000 at the IH plant. Both export substantial numbers of tractors from the UK.

Case has delayed announcing its plans for restructuring the UK businesses until final clearance of the takeover was received from the U.S. Justice Department. This was obtained on Tuesday and the deal is to be completed today.

Now the company is eager to implement the rationalisation as quickly as possible. Sales of both Case and IH products have slumped in the past month because of uncertainty about their future. In the first 25 days of January, the two had a combined market share of about 12 per cent compared with 20 per cent in the same period of 1984.

The company has already despatched officials to Doncaster and to Case and IH dealers around the country to explain the restructuring.

Mr Gleason said the company decided to implement the dealer restructuring immediately to avoid a period of uncertainty. Of the 320 Case and IH outlets in Britain, he estimated that roughly a fifth would close. However, Case would help to finance mergers of dealers and would close some company-owned outlets where appropriate.

Details of the product rationalisation have not been finalised, but Mr Gleason said there would be a single product line, made up of models from both companies and carrying a new name.

Bethlehem Steel cuts payout as loss rises

BY WILLIAM HALL IN NEW YORK

BETHLEHEM STEEL, the second biggest U.S. steel company, yesterday reported sharply increased losses in its final quarter and cut its dividend for the third time in less than three years. The group blamed imports for many of its problems.

Bethlehem's fourth-quarter loss of $64.5m was its largest for a year and a half and pushed full-year losses to $112.5m.

This compares with a 1983 loss of $163.5m, after crediting a $127.2m accounting gain, and a 1982 net loss of $1.47bn.

Mr Donald Trautlein, Bethlehem's chairman, announced that the company's quarterly dividend was being reduced from 15 cents to 10 cents a share.

He described the action as "prudent" in view of the significant losses incurred in the fourth quarter and the full year and because another "significant" loss is expected for the first quarter of 1985.

The company said that its losses were attributable primarily to the adverse effect of steel imports and high employment costs.

A significant portion of these losses were attributable to the company's bar rod and wire division and its Steelton, Pennsylvania, plant which makes reinforcing bars and railway rails.

Imports had an "especially severe" impact on the fourth-quarter results, said the company. Steel mill shipments fell 19 per cent in the latest quarter, compared with a year ago.

The company was also hit by losses on Bethlehem's coal operations, most of which were shut down during the quarter to reduce stocks. These had been built up during the year as a hedge against a possible miners' strike.

The company said that there was still a substantial overhang of stocks, and steel prices remained very depressed which would affect its first-quarter results.

The company, which has cut its quarterly dividend on three occasions since mid-1982 when it stood at 40 cents a share, said that future dividend levels will depend on profitability levels which will depend on the prompt implementation of President Ronald Reagan's import quotas and the continuation of the general economic recovery.

Bethlehem shares fell $1⅛ to $18⅝ in early trading yesterday.

American Can goes ahead to $136m

BY ANDREW BAXTER IN NEW YORK

AMERICAN CAN, the U.S. packaging group, which has spent heavily on diversification, yesterday reported a 36 per cent rise in 1984 net profits.

It was boosted by continued growth in financial services and retailing, matched by a strong performance in the original packaging operations.

Net income rose from $100.1m or $3.75 a share to $136m or $4.90 on increased shares outstanding, broadly matching Wall Street's forecasts.

In the fourth quarter, net profits were $33.8m or $1.14 a share, including a non-recurring tax benefit.

That compares with $19.6m or 62 cents a share in the 1983 period, which includes a provision to write down investments in Latin American packaging operations.

Total revenues, including non-consolidated financial services subsidiaries, rose from $4.08bn to $4.21bn in the year, but slipped from $1.13bn to $1.06bn in the final quarter.

Income from financial services operations, which includes insurance, was steady in the fourth quarter before realised investment gains, but rose 21 per cent in the year.

The rise reflected operating improvements in most subsidiaries.

Northwest Industries offer fails

By Our Financial Staff

THE $1bn-plus agreed merger offer for Northwest Industries, the Chicago-based conglomerate, has been terminated. The bidding investor group has failed to raise the necessary finance, the company said.

Meanwhile Northwest has continued its recovery into the fourth quarter of 1984 with a swing to a $22.4m profit, or $1.10 a share, from a loss of $85.3m or $4.37. This took full-time earnings to $77.5m or $3.75 against a deficit of $80.4m or $4.23 last time, when there was a $90m provision.

Turnover for the year reached $1.88bn, up from $1.61bn, with a rise to $486.4m in the latest quarter, from $443.5m a year ago.

Asarco warns of charge

BY GEORGE MILLING-STANLEY IN LONDON

THE CONTINUED weakness in base and precious metal prices in terms of the dollar has found another victim, in the shape of Asarco, the largest smelter of non-ferrous metals in the U.S.

In the wake of substantial write-offs against the value of mining and metals interests by Atlantic Richfield and Phelps Dodge, and the proposed spin-off to shareholders by Standard Oil of Indiana of its Amoco Minerals business, Asarco said yesterday that it will be taking an exceptional charge of $216m against its results for the fourth quarter.

This charge reflects the indefinite suspension or permanent closure of a number of the group's plants and mines, and the write-down of the value of other assets. Just under 300 workers will be laid off.

The charge means that Asarco will definitely report losses for both the fourth quarter and full year – in fact the group would still have made a loss on operations for both periods, even without the sizeable charge. The detailed results are due to be released by the middle of next month.

Asarco went on to say that the charge would reduce 1985 operating costs by more than $60m, but even then a return to profitability will require an improvement from the current depressed levels of non-ferrous metals prices.

Details, Page 42

Reshuffle at Exxon

By Our New York Staff

EXXON, the world's biggest oil company, has reshuffled its senior management team and announced that Mr Larry Rawl will take over as president.

His appointment means that he will stand a good chance of taking over the top job at Exxon when Mr Cliff Garvin, the current chairman and chief executive, retires at the end of next year.

Mr Garvin, who was president of Exxon before taking up his present post in 1975, said yesterday that Mr Howard C. Kauffman, Exxon's president since 1975, plans to retire after the annual meeting of shareholders on May 16.

Redman Heenan to sell main unit to Babcock

BY ALEXANDER NICOLL IN LONDON

REDMAN HEENAN International, the troubled British engineering group, has abandoned plans to revitalise its remaining activities with a capital injection. It plans instead to sell its largest subsidiary, which manufactures plant testing equipment, to Babcock International.

Redman has been losing money since 1981. Under the chairmanship of Mr Hugh Lang, it has been striving to recover by focusing on a few core activities and disposing of others. Trading, however, has continued to be difficult.

The company yesterday asked the London Stock Exchange to suspend trading in its shares pending publication within the next two weeks of results for the year to September 30 1984 and of restructuring proposals to be put to shareholders.

If its plans are approved, Redman is expected to emerge with a property portfolio and without significant manufacturing interests.

The 15p suspension price, which values the company at £2.8m ($3.1m), compares with a low of 2½p reached last September amid market rumours that Redman was about to collapse. It said then that it still had the support of its bankers, led by Midland Bank.

At that time major shareholders, including the M&G unit trust group and Prudential Assurance, discussed a possible financial reconstruction of Redman involving a cash boost from shareholders. These plans were quickly shelved.

If Redman shareholders approve the deal, Babcock is expected to pay under £3m for two companies, Froude Consine and the much smaller Froude Engineering of the U.S. Froude Consine, which is based in Worcester in the west of England, makes sophisticated testing equipment for vehicles and engines.

Mr Charles White, who heads Babcock's Fata materials handling business, would also be appointed to run Froude with the aim of co-ordinating the two businesses. Fata's products go especially to the motor industry.

Froude is understood to account for about 80 per cent of Redman's turnover. Redman is believed to be considering proposals to shareholders concerning its other manufacturing subsidiaries in Britain.

INTL. COMPANIES & FINANCE

French insurer buys into banking group

BY PAUL BETTS IN PARIS

GROUPE des Assurances Nationales (GAN), one of France's largest nationalised insurance groups, is taking a large minority stake of 34 per cent in Crédit Industriel et Commercial (CIC), the country's fourth largest commercial banking group.

The deal, signed yesterday, is the most significant link-up so far between a nationalised insurance company and a major state-sector banking group. It follows the takeover last year of Banque Worms, a nationalised French investment bank, by L'Union des Assurances de Paris (UAP), France's biggest insurance group. There are reports that Assurances Générales de France (AGF) is now also seeking a partnership with a banking institution.

Under the latest deal, GAN will acquire initially a stake of nearly 22 per cent in CIC for a total of FFr 700m ($72m). This will be done through two separate CIC capital increase operations worth FFr 350m each and entirely subscribed by the insurance group. The first capital increase will take place in the first half of this year and the second in the latter half.

GAN will then increase its stake to 34 per cent over the next four years by acquiring a large portion of CIC shares held by the nationalised Suez financial group.

The CIC group, which includes a large network of French regional banks as well as a longstanding international banking presence, is currently 60 per cent owned by the French state and 40 per cent owned by the Suez group. The relationship between Suez and CIC has been a difficult one, though, especially in view of the lack of convergence between CIC and Banque Indosuez, the banking group owned by Suez.

The transaction with CIC will involve an overall investment of just over FFr 1bn for GAN. It will inject Indeed, Suez is expected eventually to dispose of all its shares in CIC. urgently-needed funds to enable the banking group to meet Banque de France requirements on capital to loan ratios.

GAN and CIC clearly view the link not only as a financial operation but as a longer-term strategic move. Both are hoping to develop common new financial products in the fast-changing financial markets.

CIC has just completed a major restructuring and has had to absorb the ailing Banque de l'Union Européenne (BUE).

BUE was formerly owned by the private Empain-Schneider group and CIC has had to make provisions over BUE loans to Creusot-Loire, Empain-Schneider's bankrupt heavy engineering company.

Shell France expects FFr 1bn loss

By Our Paris Staff

SHELL Française, the French subsidiary of the Royal Dutch/Shell oil group, expects to report a much larger loss of about FFr 1bn ($103m) in 1984 compared with a net loss of FFr 296m the year before. Sales last year are expected to total about FFr 35bn compared with FFr 32bn in 1983.

The company is attempting to regain petrol pump sales it has lost to French petrol discounters, and said yesterday it was pleased with the Government's decision to free petrol prices in France.

Shell saw its share of the French petrol retail market drop from 12 per cent to 10.7 per cent during 1984.

French PTT back in surplus at year-end

BY OUR PARIS STAFF

THE FRENCH telecommunications (DGT) authority has reported a far larger than expected profit of FFr 6.4bn ($659.8m) in 1984, compared with a loss of nearly FFr 1bn the year before.

These profits, announced by M Louis Mexandeau, the French Post and Telecommunications (PTT) Minister, helped the PTT show an overall surplus of FFr 3.4bn last year, against a deficit of more than FFr 3.5bn in 1983.

The FFr 3.4bn earnings also include a loss of FFr 3bn by the French postal services.

Senior DGT officials had recently indicated that the telecommunications authority was expected to show a profit of about FFr 3.7bn. The earnings recovery reflects, among other factors, a 25 per cent increase in telephone rates last year.

The DGT, however, had to contribute FFr 2.1bn to the state budget last year, as well as finance the French electronics industry to the tune of FFr 3.2bn.

M Mexandeau indicated that he planned to approach the French banking system shortly to try to persuade them to adopt France's new "smart card" technology.

These are plastic cards with in-built memories, manufactured in France mainly by the state-owned Bull computer group.

Karstadt, Kaufhof to merge travel units

By Our Financial Staff

KARSTADT and Kaufhof, the two West German department store groups, are to merge their travel operations.

The combined company will have a turnover of around DM 1.6bn ($508.3m) and control about 16 per cent of the German packaged holiday market.

The two groups said yesterday that the move was the result of increasing competition in the travel business. They plan to submit proposals to the Federal cartel authorities in the next few days.

Neckermann und Reisen (NUR), Karstadt's travel subsidiary, has lost money in recent years. NUR recorded a deficit of DM 8.8m in the year ended October last year, against a loss of DM 11m previously.

Its turnover totalled DM 1.13bn, a decline of 2 per cent.

ITS, Kaufhof's travel unit, saw turnover for a similar financial year improve by 3 per cent to DM 442m.

As a result of a troubled year at its travel and mail order subsidiaries, Karstadt expects group profits for 1984 to be reduced. Karstadt has also been experiencing slow sales in its mainstream retailing business.

Both Karstadt and Kaufhof, which dominate the department store sector in Germany, had a good year for profits in 1983, and both groups increased their dividends.

The two companies yesterday denied reports that NUR was to be sold outright to ITS.

Deutsche Bank and Commerzbank each have a 25 per cent stake in Karstadt. Dresdner Bank and Union Bank of Switzerland hold major stakes in Kaufhof.

N. AMERICAN QUARTERLY RESULTS

BORDEN
Foods, chemical products

Fourth quarter	1984 $	1983 $
Revenue	1.15bn	1.17bn
Net profits	52.6m	52.5m
Net per share	2.02	1.83
Year		
Revenue	4.57bn	4.27bn
Net profits	191.4m	189.1m
Net per share	7.13	6.56

CANADA PACKERS
Foods, meat packing, poultry processing

Nine months	1984-85 C$	1983-84 C$
Revenue	2.29bn	2.38bn
Net profits	16.6m	18.5m
Net per share	1.38	1.53

CENTEL
Telephone service, electric utility

Fourth quarter	1984 $	1983 $
Revenue	343.7m	341.7m
Net profits	29.3m	28.0m
Net per share	1.05	1.01
Year		
Revenue	1.37bn	1.27bn
Net profits	123.4m	113.3m
Net per share	4.42	4.12

CLOROX
Household products

Second quarter	1984 $	1983 $
Revenue	209.6m	186.2m
Net profits	12.07m	11.66m
Net per share	0.46	0.42
Six months		
Revenue	468.1m	427.1m
Net profits	35.08m	34.89m
Net per share	1.33	1.37

COX COMMUNICATIONS
Broadcasting, cable TV

Fourth quarter	1984 $	1983 $
Revenue	202.4m	172.6m
Net profits	28.4m	25.4m
Net per share	1.01	0.90
Year		
Revenue	742.9m	614.6m
Net profits	87.3m	78.0m
Net per share	3.09	2.75

HARRIS CORPORATION
Communications, semiconductors

Second quarter	1984-85 $	1983-84 $
Revenue	585.0m	472.2m
Net profits	21.7m	18.4m
Net per share	0.54	0.46
Year		
Revenue	1.09bn	904.8m
Net profits	47.0m	36.7m
Net per share	1.17	0.92

IC INDUSTRIES
Consumer products, railroad

Fourth quarter	1984 $	1983 $
Revenue	1.30bn	1.03bn
Op. Net profits	44.2m	50.5m
Op. net per share	0.91	1.38
Year		
Revenue	4.23bn	3.73bn
Op. Net profits	133.3m	96.8m
Op. net per share	3.17	2.50

KAUFMAN & BROAD
Housing & insurance

Fourth quarter	1984 $	1983 $
Revenue	174.6m	165m
Net profits	20.99m	12.23m
Net per share	1.72	0.86
Year		
Revenue	600.1m	559.6m
Net profits	42.64m	26.27m
Net per share	2.97	1.73

LIBBEY-OWENS-FORD
Glass components, plastics

Fourth quarter	1984 $	1983 $
Revenue	424.4m	306.6m
Net profits	17.09m	17.79m
Net per share	1.40	1.39
Year		
Revenue	1.78bn	1.17bn
Net profits	70.63m	40.37m
Net per share	5.82	3.18

LOUISIANA LAND & EXPLORATION
Oil and gas, mining, property

Fourth quarter	1984 $	1983 $
Revenue	354.0m	351.2m
Net profits	19.0m	18.9m
Net per share	0.67	0.60
Year		
Revenue	1.28bn	1.15bn
Net profits	95.3m	94.0m
Net per share	3.16	2.85

McDONALD'S
Fast food chain

Fourth quarter	1984 $	1983 $
Revenue	859.1m	783.1m
Net profits	91.2m	79.9m
Net per share	1.03	0.90
Year		
Revenue	3.41bn	3.06bn
Net profits	389.1m	342.6m
Net per share	4.39	3.83

NALCO CHEMICAL
Service chemicals

Fourth quarter	1984 $	1983 $
Revenue	168.5m	157.1m
Net profits	17.5m	17.8m
Net per share	0.45	0.44
Year		
Revenue	664.3m	613.7m
Net profits	76.2m	71.0m
Net per share	1.94	1.78

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INTL. COMPANIES & FINANCE

Japanese bond redemptions soar

BY TERRY POVEY

JAPAN'S Government is facing an increasing burden as a result of having to redeem national bonds issued to cover successive budget deficits. Although the next financial year, starting from April 1, will see a reduced level of new cash issues, the growth in redemption payments threatens to become a serious hump at the start of the next decade, according to the Ministry of Finance.

In a report, which covers the long-term position of the national debt and is to be presented to the current session of the Diet (parliament), the Ministry says that redemption costs will reach Y10,260bn ($40.35bn) in the next financial year (to March 1986). However, despite falls in the new cash issues over the coming years the redemptio ntotal by 1992 will surpass the Y20,000bn mark.

Officials add that by 1998 the balance of national bonds will be Y192,400bn—a massive rise over the Y133,000bn expected to be outstanding by March 1986.

The Ministry also expects interest costs for the Government to continue to rise and is recommending the setting aside of funds in a special National Bond Amortisation Fund to cover payments in the years after 1986.

● Japanese investors bought and issued bonds overseas at a record level in 1984, according to the Ministry of Finance. On the other hand, foreign investors sold Japanese stocks out of their fortfolios at a record rate, discarding a net $7.248bn worth of shares and thus reversing a trend of several years of net buying, reports AP-DJ from Tokyo.

In December, the latest reporting month, Japanese investors were net buyers of a record amount of foreign bonds for the third month in a row. Foreigners were net sellers of Japanese stocks—as they were in all but one months of 1984.

The drain of capital from Japan, caused by Japanese buying of foreign bonds and foreigners selling off Japanese stocks, has played a major role in giving Japan a 1984 balance of payments deficit of $15.2bn, against the previous year's surplus of $5.18bn,

Japanese investors bought a net $26.77bn in overseas bonds in 1984, continuing a buying spree that began in mid-1983. The total smashed the previous record of $12.5bn set in 1983, when net purchases surged from 1982's $6.076bn.

Japanese borrowers were issuing bonds abroad at only a slightly less torrid pace. Their bond offerings climbed by 45 per cent to $12.6bn in 1984 from $8.712bn in 1983 and $6.01bn in 1982.

Foreign borrowers, meanwhile, were taking advantage of modest relaxations in rules governing their issues of yen bonds in Japan. Their offerings on the "Samurai" bond market rose to Y1,114bn in 1984 from Y899bn in 1983.

MoF figures are based on actual settlements for purchases or sales and include transacttions on Japan's eight stock markets and overseas, as reported by all Japanese securities houses. The bond market figures exclude trading in short-term government securities.

Citizen buys HK watch stake

BY DAVID DODWELL IN HONG KONG

CITIZEN, a leading Japanese watch manufacturer, has acquired a stake in National Electronics, the Hong Kong watchmaker that went public less than a month ago.

Citizen has bought 10m shares, amounting to about 4 per cent of National's share capital, for HK$10m (US$1.3m) or HK$1.00 a share. It is understood that Citizen has no plans to increase its stake, and views the purchase as a long-term investment intended to cement a long-standing trading relationship.

Citizen is, with Seiko of Japan, National's main supplier of quartz analogue movements. The shares have been bought from the Lee family, which founded the company in Shanghai in 1932. After the sale, the Lees will control 71 per cent

National Electronics is currently seeking to buy an established U.S. brand name to boost its watch sales in North America. National is understood to account for about 10 per cent of Hong Kong's quartz watches for export, with about half of its sales going to the U.S. They are sold there under brand names like Times, Elgin, Waltham and Armitron.

The flotation of National on January 17 was seen by Hong Kong analysts as a notable success. The 62.5m share offering was more than six times oversubscribed. It follows a string of public offerings in the past two months that have been less than enthusiastically received. National last year prepared twice to float the company, but was deterred by the uncertain state of the Hong Kong equity markets. Dealings in National shares begin on Monday.

Birla offshoot's profits halved

By R. C. Murthy in Bombay

PROFITS of Century Spinning and Manufacturing, a major subsidiary of the Birla group, were admost halved in 1984. Pre-tax profits fell by 48.79 per cent to Rs 216.30m ($17.1m) on sales up 13.10 per cent to Rs 3.06bn.

Profits after tax dropped by 63.43 per cent to Rs 47m but the dividend has been maintained at 25 per cent.

The company blamed the fall in profits on high raw material costs and labour problems.

Century is a multi-product company manufacturing cotton textiles, rayon, tyre cord, heavy chemicals, and cement. It also has a shipping division and is planning to buy ships. The company is setting up a pulp and paper plant in the northern state of Uttar Pradesh and has also expressed interest in setting up a large chemical fertiliser plant based on natural gas.

Soviet bank cuts Singapore staff

THE MOSCOW Narodny Bank in Singapore has laid off about one third of its staff, sparking fears that other banks may follow, according to union officials.

The lay-offs, including eight junior and middle executives, were due to a substantial drop in business and changes in the bank's operations, Reuter reports from Singapore.

Mr Lo Kwok Kwong, secretary-general of the Singapore Bank Officers' Association, said workers in some banks were worried their employers would follow Moscow Narodny's move.

Employers have the right under Singapore law to lay off workers, who are not allowed to strike.

Moscow Narodny, Soviet-owned but with its headquarters in London, operates in Singapore on a restricted licence that does not allow it to offer savings accounts.

● Group operating profits of City Developments, the Singapore property company, dropped 27 per cent in the half-year to October 31, from S$10.8m to S$7.9m (US$3.6m), AP-DJ reports.

For the full year, operating profit fell 4.4 per cent to S$17m from S$17.7m, but pre-tax profit rose 1.6 per cent, from S$38.6m to S$39.2m.

Turnover for the year jumped 31.3 per cent to S$226.3m from S$172.4m. Group investment and other in come was up 80.9 per cent during the period, to S$6.1m from S$3.4m.

The figures reflect a 71.4 per cent increase in interest charges on group borrowings: such expenses ballooned to S$21.2m in the latest year from S$12.4m previously. But depreciation charges increased to S$8.6m from S$6.9m.

An unchanged first and final dividend of 20 cents a share, less tax, is declared.

Talam Mines holding sold

By Wong Sulong in Kuala Lumpur

ISLAND AND PENINSULA, the Malayian property and plantations group, has sold a 53 per cent stake in Talam Mines, a small, publicly listed tin mining company, for 16m ringgit (US$6.5m), realising an extraordinary gain of 14.7m ringgit.

The buyer of the 1m shares is Superflex, which intends to revitalise Talam by diversifying its activities, initially into property. I and P's stake in Talam is reduced to 11.8 per cent.

Superflex will make a general offer at 16 ginggit per share if so required by the authorities.

I and P also announced that it will pay 4.5m ringgit for a 37.5 per cent stake in PJ Medical Group, which will operate a 34m ringgit, 150-bed private hospital in Petaling Jaya, near Kuala Lumpur, starting in 1987.

Bahrain agency warns on lending limits

BY MARY FRINGS IN BAHRAIN

THE BAHRAIN Monetary Agency has warned locally incorporated domestic and offshore banks that the general lending limits imposed this week are to be regarded as a maximum and that the agency intends to agree limits appropriate to the capital structure of each individual bank, together with the time scale for *any necessary adpustments*, at meetings with managements.

The BMA has also now clarified a number of points

● The 30 per cent limit on loans to directors will apply whether or not the loans are secured and irrespective of any form of collateral.

● Facilities granted to persons as individuals or in any other capacity must be combined, as must loans to companies, *partnerships, sole traders, etc.*, in which the borrower owns directly or indirectly 20 per cent of the voting capital or wields equivalent management influence.

● Capital and reserves exclude any loan stock, provisions or profit for the current year.

● Credit facilities means any secured or unsecured loans, advances, guarantees, overdrafts, standby facilities, letters *of credit or any similar* credit instrument.

GOLD FIELDS GROUP

VOGELSTRUISBULT METAL HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

PRELIMINARY ANNOUNCEMENT OF RESULTS

CONSOLIDATED INCOME STATEMENT	*Year ended 31 December 1984	Year ended 31 December 1983
Revenue	R000	R000
Income from investments	4 219	4 169
Dump crushing and treatment	609	757
Interest and sundry revenue	439	472
	5 267	5 398
Expenditure and write off	5 401	719
Interest paid	—	434
Administration	256	264
Drilling and sampling	2	2
Written off	5 143	19
Profit/(loss) before tax	(134)	4 679
Tax	67	75
Profit/(loss) after tax	(201)	4 604
Unappropriated profit, brought forward	67	220
	(134)	4 824
Transfer from general reserve	3 150	—
	3 016	4 824
Less	2 943	4 757
Dividends declared	2 943	2 790
Interim 5c (5c)	920	767
Final 11c (11c)	2 023	2 023
Transfer to reserve	—	1 967
Unappropriated profit, carried forward	73	67

* Unaudited

Earnings per share before write off—cents	27	29
Dividends per share—cents	16	16
Times dividends covered	1.7	1.7

CONSOLIDATED BALANCE SHEET	*At 31 December 1984	At 31 December 1983
	R000	R000
Investments	23 027	27 176
Loans advanced	1 105	1 054
Net current assets	1 475	521
Current assets	3 566	2 676
Less current liabilities	2 091	2 155
	25 607	28 751
* Unaudited		
Share capital	9 448	9 448
Reserves	16 159	19 303
	25 607	28 751
Investments		
Listed—market value	49 150	40 446
—excess over book value	34 181	25 504
—book value	14 969	14 942
Unlisted—book value	8 058	12 234
Number of shares in issue	18 393 600	18 393 600
Net asset value (as valued) per share—cents	386	378

NOTES:

1. **Earnings per share.** Earnings per share for the year ended 31 December 1983 are based on profit after tax and on the weighted average of 16 170 040 ordinary shares in issue during the year.
2. **Annual Report.** These results are published in advance of the annual report which will be posted to members in March 1985.
3. **O'oKiep Copper Company Limited.** As foreshadowed in the Chairman's review for 1983, O'oKiep was obliged to restructure its debt during 1984. In consequence, the board decided that it would be prudent to write down the value of the company's investment in O'oKiep from R8 976 000 to R3 833 000.

DECLARATION OF FINAL DIVIDEND

Dividend No. 76 of 11 cents per share, in respect of the year ended 31 December 1984, has today been declared in South *African currency, payable to members registered* at the close of business on 15 February 1985.

Warrants will be posted on or about 19 March 1985.

Standard conditions relating to the payment of dividends are obtainable at the share transfer offices and the London office of the company.

Requests for payment of the dividend in South African *currency by members on the United Kingdom register* must be received by the Company on or before 15 February 1985 in accordance with the above-mentioned conditions.

The register of members will be closed from 16 to 22 February 1985, inclusive.

By Order of the Board
per pro Consolidated Gold Fields PLC
London Secretaries
P. F. G. ROE, Secretary

London Office:
49 Moorgate,
London EC2R 6BQ.
30 January 1985

United Kingdom Registrar:
Hill Samuel Registrars Limited,
6 Greencoat Place,
London SW1P 1PL.

GOLD FIELDS GROUP

NEW WITS LIMITED

(Incorporated in the Republic of South Africa)

INTERIM REPORT

CONSOLIDATED INCOME STATEMENT	*Six months ended 31 Dec 1984	*Six months ended 31 Dec 1983	Year ended 30 June 1984
Revenue	R000	R000	R000
Income from investments	5 387	5 132	10 656
Surplus on realisation of investments	1 048	21	21
Interest and sundry revenue	311	243	428
	6 746	5 396	11 105
Expenditure and write off	288	256	1 089
Administration	270	256	500
Exploration	18	—	231
Written off	—	—	358
Profit before tax	6 458	5 140	10 016
Tax	335	36	—
Profit after tax	6 123	5 104	10 016
Minority shareholders' interest	117	85	152
Profit attributable to members	6 006	5 019	9 864
* Unaudited			
Earnings per share—cents	52	43	85
Dividends per share—cents	22	18	50
Dividends—absorbing—R000	2 541	2 079	5 776
Times dividends covered	2.4	2.4	1.7

CONSOLIDATED BALANCE SHEET	*At 31 Dec 1984	*At 31 Dec 1983	At 30 June 1984
	R000	R000	R000
Investments	34 517	31 681	33 305
Properties and ventures	135	135	135
Loans advanced	90	289	98
Net current assets	2 500	2 372	189
Current assets	5 831	7 335	4 191
Less current liabilities	3 331	4 963	4 002
	37 242	34 477	33 727
Share capital	5 776	5 776	5 776
Reserves	30 686	28 013	27 221
	36 462	33 789	32 997
Minority shareholders' interest	780	688	730
	37 242	34 477	33 727
* unaudited			
Investments			
Listed—market value	171 021	149 772	174 968
excess over book value	137 148	118 735	142 307
—book value	33 873	31 037	32 661
Unlisted—book value	644	644	644
Number of shares in issue	11 551 804	11 551 804	11 551 804
Net asset value (as valued) per share—cents	1 523	1 341	1 533

Note:

Dividend. A dividend No. 67 of 32 cents per share in respect of the year ended 30 June 1984, absorbing R3 697 000 was declared on 8 August 1984 and paid on 26 September 1984.

DECLARATION OF INTERIM DIVIDEND

Dividend. A dividend No. 67 of 32 cents (15.69397p) per share in respect of the year ended 30 June 1984, absorbing R3 697 000 was declared on 8 August 1984 and paid on 26 September 1984.

Warrants will be posted on or about 19 March 1985.

Standard conditions relating to the payment of dividends are obtainable at the share transfer offices and the London office of the company.

Requests for payment of the dividend in South African currency by members on the United Kingdom register must be received by the Company on or before 15 February 1985 in accordance with the above-mentioned conditions.

The register of members will be closed from 16 to 22 February 1985, inclusive.

On behalf of the board
B. R. VAN ROOYEN (Chairman)
A. J. WRIGHT
Directors

Registered and Head Office:
Gold Fields Building,
75 Fox Street,
Johannesburg, 2001

London Office:
49 Moorgate,
London, EC2R 6BQ.

United Kingdom Registrar:
Hill Samuel Registrars Limited,
6 Greencoat Place,
London, SW1P 1PL.

30 January 1985

Philippines' nuclear power dream has still to pass the safety test

BY EMILIA TAGAZA IN MANILA

ATTEMPTS BY the Philippines to tap nuclear energy and reduce its heavy reliance on imported oil is proving too costly for the dollar-starved economy. The country's first nuclear plant, the construction of which began back in 1977, is still not ready for fuel testing. But costs have doubled and the Government is now close to admitting that the plant may have been an ill-conceived project.

The cost of the Westinghouse-built plant has risen from the original tag of U.S.$1.1bn to $1.95bn. Safety is still o contentious issue, forcing the start-up to be moved yet again. No new date has been set. The Government pays $350,000 daily for interest alone on loans for the plant, amounting to $1.9bn.

Mr Gabriel Itchon, president of National Power Corporation (NPA), the state-owned body designated to operate the plant, said when the plant went on the drawing board 10 years ago that the Government did not expect the country to have an enormous wealth of cheap geothermal energy which could have instead been tapped more fully. The Philippines is now the world's second largest user of geothermal steam.

It was also largely unexpected that hydro-electric power, a traditional source of energy, could be harnessed to the extent that it is now being used. Hydro-electric power has recently played the biggest role in displacing imported oil in the country's total energy usage.

Amidst snowballing opposition to the 620MW nuclear plant, NPC continues to argue that despite the vast sums already involved it will, in the longer term, produce cheaper energy. Mr Itchon said the total cost of producing power from nuclear energy would be less costly than oil-powered electricity.

But it is not only the plant's cost which is at the centre of controversy. Also in question is its safety. Construction of the plant was halted for more than a year in 1979, after the Three Mile Island nuclear accident in the U.S. Although the Three Mile Island plant was not built by Westinghouse, its design is similar to the Philippine plant which is a pressurised water reactor with a two-loop design. President Ferdinand Marcos himself wanted a closer examination of the design and ordered the suspension of construction to re-evaluate its safety features.

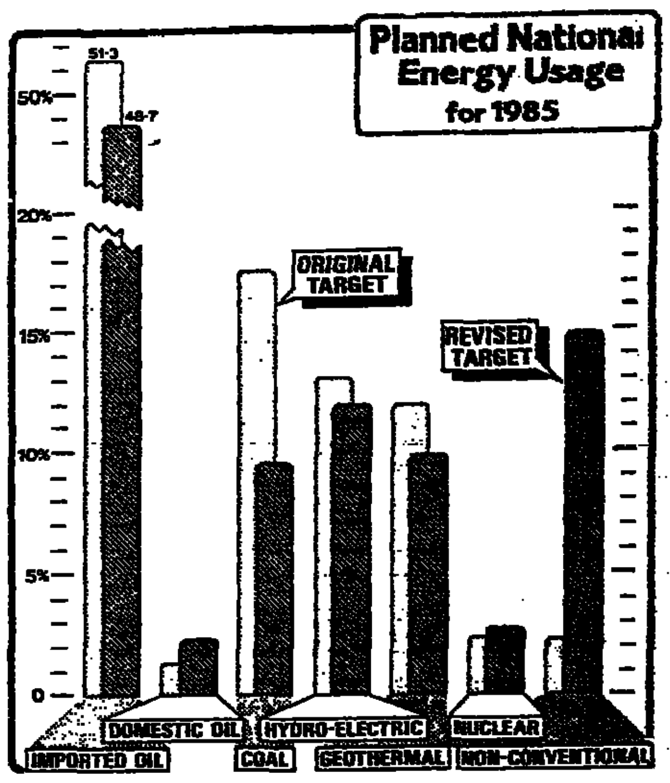
The plant's location was also questioned by local scientists. This prompted Mr Marcos to request an independent review of the site by the International Atomic Energy Agency (IAEA). The IAEA team later observed that the original design may not be able to withstand an earthquake measuring eight on the Richter scale. The plant is located in Bataan Province, about 100 km northwest of Manila, on a spot 20 km from a seismic fault and 16 km from two dormant volcanoes.

The IAEA report led to design changes so that after another inspection held in October, the IAEA gave the site the all-clear.

NPC and Westinghouse have given assurances that 10 of the 11 additional safety requirements recommended by the U.S. National Regulatory Commission (NRC) after the Three Mile Island accident have been incorporated into the Philippine plant.

Westinghouse's project director, Mr Monroe Walcher, said certain mistakes may have been during construction, but they were all found on time and adequate corrections were made. Staking his company's reputation, Mr Walcher said: "We have to be sure the plant is totally safe because if problems arise in the future, the plant will carry the (company's) name."

The burden is now on the Philippine Atomic Energy Commission (PAEC), the local nuclear regulatory commission, to declare the plant's safety and grant the operating licence. After a well-orchestrated lobby from both the National Assembly (parliament) and anti-nuclear groups, PAEC assured that the operating licence would be issued only after a public hearing. Without the operating licence, NPC cannot even test the plant. PAEC is now conducting a technical assessment of the plant, which may take several more months.



Chris Walker

Because of the high cost and the widespread opposition to the nuclear project, the Government has completely scrapped the plan for a second plant, which was drawn at the same time as that fo rthe first plant. The controversy over the nuclear plant has served as fresh reminder to Government energy planners that replacing imported oil with local power sources could not be done as easily and quickly as they had hoped for.

In the past five years, there problems in developing altern- have been some frustrating ative energy sources, retarding the take-off of many powe projects that should have displaced the use of imported oil.

The first frustration come from local oil exploration activities. When the country's first commercial oilfield, the Nido complex, went into full production in 1979, the Government projected that local oil would drastically replace imported crude. But the hopes were quickly dashed when output from the Nido complex and other oilfields gradually dropped. It has since then been established that the oil wells in the Philippines are small and scattered, not of concentrated pools.

After the domestic oil fiasco, the Government placed its bets on geothermal plants, together with coal-fired and hydro-electric plants. But recently, the Government had to scale down its targets because of constraints in funding. A standby credit arrangement with the International Monetary Fund has bound the Government to stiff controls on public spending, while tht debt crisis has put a stop to the flow of foreign funding into tho country.

NP Chas announce dthe shelving of a big hydro-electric project and of four other geothermal plants due to financing difficulties.

But the Ministry of Energy has not run out of cards. It is now looking at non-conventional energy sources such as solar energy, biogas, alcogas and wood-fired plants to fill the gap left by the traditional energy sources. In its latest projection, the Energy Ministry estimates that this year, non-conventional energy would collectively account for the second largest share in the country's total energy usage.

THE MANAGEMENT PAGE: Marketing and Advertising

EDITED BY CHRISTOPHER LORENZ

Ogilvy & Mather: bucking the trend

BY FEONA McEWAN

FOUR years ago, Ogilvy & Mather board meetings started with a show of sums. Now they start with a show of ads. This switch of emphasis from financial to advertising matters is perhaps a key to the recent renaissance of that noted establishment.

It's an old gooseberry in the adworld that big can't also be "beautiful." Successful, capable, solid, perhaps, but when it comes to producing the best-looking ads it's the small creative boutiques which take the risks and hog the honours. Recent UK history has seen the young sexy agencies steal the limelight, pushing their older and bigger brothers into the shade . . . though the *Saatchis* keep stealing it back. J. Walter Thompson is another international agency which bucks the trend.

But last year saw another silent and stealthy rival strike a blow for the multinational giants. Ogilvy & Mather, whose roots go back to 1850 and whose mentor David Ogilvy, doyen of the ad world, made it famous in the 1960s, had its best year yet. It has eased its way into number three slot with a billing figure of £110m in the Campaign league table *behind* the regular chart-toppers, Saatchi & Saatchi and JWT. It scored high *marks for profitability, second* to the shrewd Saatchis. And it scooped more new business gains than ever (£30m, arguably as much as anyone) including Price Waterhouse, John West Foods, Kimberly-Clark, Compaq Computers, G. D. Searle, rounding off the year by capturing Guinness (which first advertised through agency SH Benson before the merger with O & M in 1971). The Financial Times has been a client since 1981.

So just what is happening down at Brettenham House on Waterloo Bridge? Never a flashy shop, O & M likes to be known for its doings not its sayings (pace David Ogilvy). The calm unhistrionic air to the place reflects the solid, professional, disciplined, if a trifle old-fashioned, quality that people talk of. "Gentlemen with brains" in Ogilvy's phrase.

It's hard to think of many agencies where the mailboy could become chairman—this happened to Peter Warren, now 27 years with the agency, which is almost as long as Don Arlett, executive creative director, has been there. They, together with "*new boy*" Michael Baulk, the managing director who has been with them for 15 years, since the Benson takeover, form hte triumvirate that has been at the helm since 1981.

It was in that year, a watershed say some, that they took up the reins and began to rearrange the board, making the creative function central in management terms, and signalling a renewed emphasis. So the agency was kickstarted into a new gear from which it has apparently not looked back.

Of course the heritage was always there. From the earliest days of the original Mather and Crowther (1850-1965), which along with Colman Prentis & Varley was *the* creative agency —Fay Weldon and David Abbott began their careers there among others—to its S. H. Benson days and beyond, O&M has produced such slogans as "Schh . . . you know who," "Unzip a banana," "Go to work on an egg," "We're with the Woolwich," along with the sureness of Shell, the cookability of Gas and even "No FT . . . No Comment."

Much of the current success arises from the work of early strategic spirits, not least David Ogilvy, who had the foresight to collect some multinational clients with a European base (Shell, Unilever) which helped the agency grows around the world. Much of 1984 new business gains comes from existing O&M clients, for which the agency would not have been required to pitch.

Observers credit the current management trio with having pulled all the strands together and giving the agency a sure direction.

It's getting the balance right, in Arlett's view, "between a well run business in financial terms and a strong creatively centred management team—thus giving the product (as he calls the advertising) the right status, the billing it needs."

The sun may shine for the present on O & M but it was not ever thus. Particularly in the post-S. H. Benson days, in the mid-1970s, it suffered a sticky period — something every agency knows. The combination of two very differently styled agencies — one the sparky Benson and the other the solid O & M was widely regarded as a financial coup but an operational disaster and major Benson clients soon disappeared. The agency watched its ratings slip to outside the top five.

Then along with the growth and maturing period, came the demon "departmentalisation" or "hardening of the arteries," as one insider puts it. Management promptly switched from a pyramid approach towards team effort, uniting all disciplines.

The agency has also known the sting of criticism . . . of being accused of dull, uninspiring, never-going-to-set-the-world-alight work. And as everyone with a famous parent might agree, David Ogilvy must be a hard act to follow. Increasingly, Arlett is fielding such catcalls, like the accomplished cricketer he is, with facility . . . by producing advertising that works for clients who come for more and collecting prizes for his pains along the way. (The list of longstanding clients is weighty —Lever Bros 1953, Bovril 1893, Shell 1946, Milk 1954, Van den Berghs 1956, Rowntree Mackintosh 1959. . . .)

It pleases him that one of the agency's strengths is its lack of distinct house style. "I don't think we can be typecast by our ads. Each one is individual because fundamentally the solution grows out of the requirements of the product. I'm very anxious to avoid formula advertising, the quick cut and jingle routine which when you cover up the brand name could be substituted with anyone's."

Recently, the creative side has been gingered up notably, a mixture of giving local young talent its freedom and buying in well-known talent.

Perhaps a clue to what sets O&M apart from rival multinationals is its essential Britishnes, traceable to its origins. David Ogilvy, founder of the American-based international network, Ogilvy & Mather Worldwide, is of course a Scot and the current American headquarters is run by an English president and vice-president. This is *said* to *have* the effect of allowing the UK agency considerable autonomy.

Favourite adjectives from clients about O&M are consistency and reliability. ICI has used O&M on and off since 1954, though it has lately ceased its corporate activity and its public relations manager, Ian McIntyre, says: "They never have a dud idea. They don't tend to have wildcat people with wildcat ideas." David Abbott, chairman and creative director of Abbott Mead Vickers, who spent three of his early years there, says: "They're always good at ideas. Of all the big *agencies I think* they're the best—and that's not because I went there. They're formidable competition."

O&M's reputation in the media field is good and sound. "They're one of the most consistent London agencies," says Rowntree Mackintosh UK advertising manager, David Lamb. "Recently the quality of the creative product has improved," he adds, voicing a widely held view.

There are some who suggest that its loyalty to its traditions, its clients and its staff (it has slower-than-average turnover) can have its dangers. "There's the reverse side to such a strength," says Ian McIntyre. "I feel the shadow of David Ogilvy and his rules still hang over the place and especially in the print media, which was his main interest. The plus side is not having to brief endless new account handlers though."

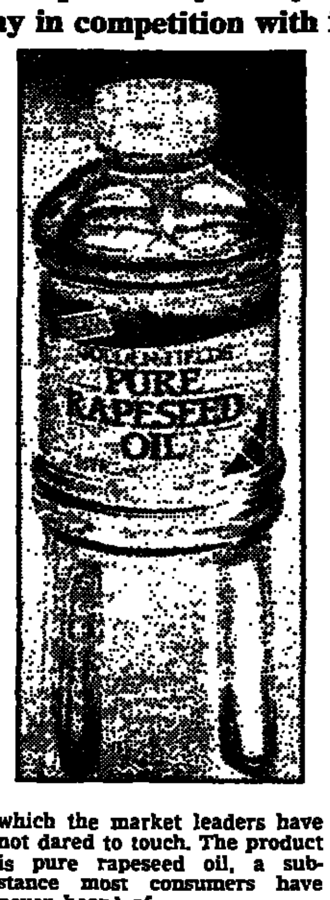
At the end of the day it is a combination of advertising style and good commercial sharpness that wins O&M its profile. A report out last year from chartered accountants Spicer & Pegler which compared the top UK agencies for the year ending 1982, according to their accounts at Companies House, showed O&M as one of the most profitable agencies. It came in the top 10 in terms of profit margins and of turnover and profit per employee.

Seeking pastures new

Carla Rapoport explains why Bibby has entered the marketing fray in competition with its customers

MANUFACTURERS are not meant to irritate their brand-name customers by competing with them on a grocer's shelf. Bibby Edible Oils, a 90-year old Liverpool-based company, is doing just that.

For a company close to terminal decline two years ago, the move is a particularly gutsy one. In fact, David Airey, the managing director, cheerfully admits that his company has no *retail marketing experience and* has launched the group's new vegetable oil, Golden Fields, without the aid of any extensive research or test-marketing.



It is this very lack of experience, however, that makes the Bibby case interesting. Like dozens of other companies throughout the UK, Bibby has been making and packaging consumer goods under its customers' names for decades. Unlike its counterparts, however, it has now decided to use its production expertise to its own advantage in the marketplace.

The move flouts the experience of much larger groups. Northern Foods, one of the largest UK food manufacturers, for example, shies away from promoting its own brand names in deference to its relationship with Marks & Spencer. The result has been, however, that retailers have moved ahead as the innovators on the UK marketing scene. And it is no coincidence that UK retailers are much more profitable than manufacturers.

In its small way, Bibby is trying to reverse this trend. Executives in Liverpool, however, deny that this initiative is anything more than just seat-of-the-pants common sense. Its opportunity arose, it explains, because of a £30m cash injection from its new parent, Bunge, the Brazilian - based international grain trader, which bought the company from J. Bibby & Sons in 1983. The money will allow it to double its oil crushing capacity with a new, efficient production plant, currently under construction in Liverpool.

"The object of this business exercise (launching Golden Fields)," says Airey, "is to secure operating efficiencies with the right volume."

Airey is perhaps being a shade too modest. Golden Fields is not another blended vegetable oil, aiming for a slice of the £45m a year cooking oil market. Bibby is breaking into the market with a new product, one which the market leaders have not dared to touch. The product is pure rapeseed oil, a substance most consumers have never heard of.

Rapeseed, better known as rape, is the golden yellow crop that has been spreading like wildfire through Britain's agricultural acreage thanks to EEC subsidies. From 2 per cent of the country's edible oil needs in 1973, rapeseed oil last year accounted for 30 per cent.

The traditional problem of selling rapeseed oil to the consumer, apart from the unwanted connotations of its name, was the unusually high content of erucic acid, a material toxic to young animals. Erucic acid, however, has since been virtually bred out of the oil in the last decade, leaving a product which is unusually pure and extremely low in saturated fat content.

In Canada, the product has recently gained consumer acceptance as Canola, and now satisfies 50 per cent of the country's edible oil requirements. In Britain, however, Airey felt that the yellow fields had done his pre-marketing work for him. "The crop has become part of the British countryside. We decided to keeq it simple: tell the customer what it is and wave the Union Jack."

Although a novice in consumer retailing, Airey was mindful of the increasing interest in reducing fat in the UK diet. The oil's low saturated fat content is not yet on the label but, over the long-term, this will be a factor Bibby hopes to promote. At the moment, he stresses the company's three year history with PET-packaging and its ability to produce a "virtually unbreakable and leakproof" bottle of oil.

The next step was approaching retailers. "In-house research predicted spontaneous outbursts of indifference from multiple grocers or downright hostility from those with whom we had longer developed relationships," laughs Airey.

However, the group started *manufacturing* a *few months* ago and made its presentations to the major retailers anyway. Most decided to order the product; next month, Bibby says that 60 per cent of the UK packaged grocery trade will be stocking the product, including stores like Tesco, Safeway, Sainsbury and Asda.

Backing up these efforts, Bibby spent only £18.000 in the last quarter of 1984 for promotions and introductory discounts. "I have an unerring faith in the consumer knowing what is a good deal," says Airey.

Anxious not to disrupt his brand-name and own-label customers, Airey priced Golden Fields at a small premium to the own-brand products in the sector, but less than the well-known branded products. Some 30 per cent of the market is held by the market leaders, Mazola and Crisp and Dry, with another 55 per cent held by own-label. Like most new entrants into a field, Airey believes his product will merely supplant imported branded oils, not cause a shake-up in the market.

Nonetheless, the Liverpool company is aiming for a 10 per cent market share. With the new crushing capacity, Bibby aims to double sales from its 1983 level *of £53m by 1986*. If successful with its new consumer product foray, Bunge's new subsidiary may just provide a handsome return on those sales as well as an illustrative lesson for less adventurous manufacturers.

UK COMPANY NEWS

W. H. Smith steady after late Christmas shopping

A LATE START to Christmas shopping was experienced by W. H. Smith, which reversed the position of 1983 when Mr Simon Hornby, chairman, says, interim results profited from higher sales in November. For the 26 weeks to December 1 1984, profits before tax amounted to £16.8m. compared with £15.08m.

Mr Hornby goes on to say that December sales were up to expectations and the second six months will reflect this.

Pre-tax profits were struck after profits from property sales of £588,000 (£50,000).

Last year interim results covered a 10-month period to December 3, and to provide comparisons the group has shown results from management accounts. Results shown for the previous 52 weeks, which are also not full accounts as the audited period was for 70 weeks to June 2 1984, show pre-tax profits of £38.4m.

Heavy snow in January stopped people from going shopping, says Mr Hornby, but unless there is further prolonged bad weather, he expects profit growth to continue in the full year.

The interim dividend on "A" ordinary 50p shares has been lifted from 1.5p to 1.7p. In the previous full 70-week period a total of 5.6p was paid. There is also a higher payment of 0.34p on the "B" ordinary shares against 0.3p.

Earnings per 50p share before extraordinary items were shown as rising from 5.21p to 5.83p.

Turnover for the half-year of this group, which has its main activities in wholesale and retail selling of newspapers, magazines, periodicals, books, stationery and records, increased from £466.57m to £501.41m.

Sales of personal computers and software have reached a plateau, says Mr Hornby.

Mr Simon Hornby, chairman of W. H. Smith

Although they are still making an important contribution there has been no increase over 1983.

The wholesale division had another successful trading; *period; it benefitted from the* installation of new computer systems and a continuing hard drive to increase sales.

W. H. Smith Do-It-All results were "very encouraging," Mr Hornby says. Existing stores showed good gains in volume, and five new stores have been *opened bringing the total to 50.* Four more stores will be opened in the current financial year.

New retail headquarters at Swindon will be ready for occupation as planned in May 1985. Head office will transfer to smaller premises in Holbein Place, SW, in August 1985 and the existing office in New Fetter Lane will be put on the market.

The reorganisation will improve operating efficiency, release capital and produce material revenue savings. Additional costs relating to these moves are included in the figures.

The results, since acquisition, of Yorkshire Television, in which a 29.86 per cent stake was acquired in August 1984, are included in increased profits of related companies of £513,000 (£18,000).

In November 1984 WHS Advertising was sold for £1.02m and the resulting profit after tax of £325,000 is included in extra-*ordinary items, against previous* losses of £590,000.

At the trading level profits rose from £14.98m to £16m after depreciation of £7m (£6.7m), interest costs took £297,000 (added £33,000).

Profits were subject to tax of £6.72m, assuming an effective rate of *40 per cent for the 52-week period* to June 1, 1985. The comparable charge was £6.1m.

After extraordinary items, and preference dividends of £10,000 (same), the attributable balance for ordinary holders emerging ahead from £8.38m to £10.4m.

At the end of the last full 70-week period when pre-tax profits came to £43.43m (£26.7m for 52 weeks), the directors said that a space relocation programme was giving more room to traditional products, magazines, books and stationery, and this programme was going to be extended to more shops during the current year.

At that stage they said that the company had established itself as a market leader in home computing products. In DIY, existing product ranges had been widened and new ranges introduced which had produced more buoyant trading in 1984.

See Lex

New role for Union Discount

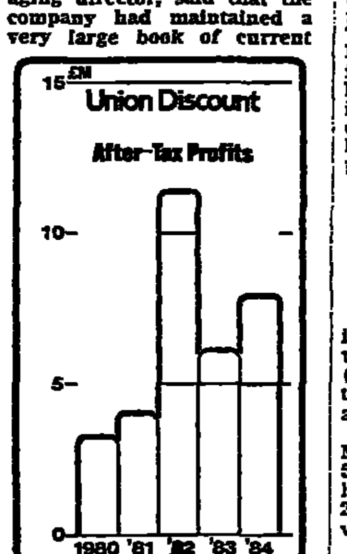
UNION DISCOUNT, one of the City's two largest discount houses, is to apply to the Bank of England for a licence to become an independent primary dealer in the gilt-edged market.

For this purpose it has already hired three gilt-edged dealers from stockbrokers Laing & Cruickshank. Union Discount hopes to make prices across the full maturity range of the gilt-edged market.

Gerrard & National, the other leading City discount house, has already announced that it is forming a joint venture with stockbrokers James Capel & Co to apply for a primary dealer's licence.

For 1984 Union Discount returned profits of £ 7.94m *after providing for rebate,* tax and a transfer to inner reserve. This was 30 per cent ahead of the previous year's £6.12m and the group's second best results ever.

Mr Graeme Gilchrist, managing director, said that the company had maintained a very large book of current



assets during the second half of the year and had made most of its profits during the period.

He added that, like every other discount house, the company had lost money in January as a result of the rise in interest rates, but had contained the damage by pruning tained the damage by pruning its book dramatically in the early days of the month. It now stands at about £1bn, compared with £3.1bn at the *year-end.*

The dividend is being raised for the sixth successive year. A final payment of 26p (23p) lifts the total by 3p to 37p net per £1 share.

A provision of £3.6m was made for deferred tax and rental rebates. After making this charge and taking into account the sums already set aside the directors are confident that the company now has adequate provisions to meet its future tax liabilities.

Total stockholders' funds stand at £54.64m (£53.65m).

See Lex

Hillsdown arrives on market with capitalisation of £189m

BY WILLIAM DAWKINS

Hillsdown Holdings, the largest privately owned food manufacturer and processor in the UK, yesterday revealed details of its stock market flotation.

Merchant bankers Kleinwort Benson are offering for sale by tender 47m shares at a minimum price of 100p each, *capitalising* the group at £189.2m. A quarter of the total equity is being offered, including 30,320,241 new shares which will raise £28.3m after expenses for the cofpany. Existing shareholders are selling another 16,679,759 shares, valued at £16.7m at the minimum tender price.

Hillsdown has made a name for itself as a voracious purchaser of loss-making or poorly performing food cocpanies, and plans to make further acquisitions in the future. Established in 1975 by Mr David Thompson, a food industry executive and his solicitor friend, Mr Harry Solomon, Hillsdown bought the Lockwoods Foods canning business from the receiver for £3.5m in 1981.

The following year, it paid £39.2m for the egg, poultry, animal feed and meat trading interests of Imperial Group. *They included Buxted poultry,* Daylay eggs, Nitrovit animal feeds, Ross Breeders and Ross Poutry. Subsequent acquisitions include Smedleys, the vegetable canners, FMC, the meat and bacon group, and Telfers, a producers of meat pies and other processed foods.

Hillsdown's subsidiaries are UK market leaders in egg and chicken production, meat wholesaling, bacon curing and fruit *and vegetable canning.* Its non-food activities — which account for less than 10 per cent of total sales — include furniture making, travel and contract stationery, where the group's Cartwright Brice offshoot is the leading operator in the UK.

Pre-tax profits in the year to last December rose from £11.5m to an estimated £18.8m on sales up from £569.7m to £980m. Estimated earnings last year were 11.1p per share after a minimal tax charge, putting the minimum tender price on a multiple of 9, about one point below the food manufacturing sector average. On a notional 35 per cent tax charge, the earnings multiple rises to 13.5.

The directors would have paid a 3.5p net total *dividend* if the shares had been listed last year. That would have been covered just over three times by stated earnings, with the yield at 5 per cent.

Up to 10 per cent of the shares being offered will be reserved for applications from the group's 13,000 employees. Public application lists open on Wednesday February 6, and dealings are expected to start a week later. Hoare Govett are stockbrokers to the issue.

See Lex

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
English Assoc. ... int.†	1	April 9	0.91*	—	2.73*
Harvey & Thomp.‡ int.	1.5	—	1.5	—	3.5
Peerless .... int.	2.1	March 21	2.1	—	6.3
W. H. Smith .... int.	1.7	March 18	1.5	—	5.6¶
Throgmorton Trust	4.75	April 3	3.75	7.5	6.5
Trent Holdings ...... int.	0.42	March 29	0.35	—	0.88
Union Discount	26	—	23	37	34
Wintrust .... 2nd int.	1.6	April 1	1.33	—	4.3
Zetters Group ..... int.	1	April 9	0.9	—	3.23

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Unquoted stock. ¶ For 70 week period.

Memcom gains USM place

Memcon International Holdings, a high-technology company traded on the over-the-counter (OTC) market, is about to join the Unlisted Securities Market at its second attempt.

Robert Fleming is introducing Memcon's entire issued caiptal of 5m shares at a price which is likely to match the OTC price of 295p a share, putting a market value of £14.75m on the company.

Memcon, a specialist in electronic filing systems, has been traded on the OTC since 1983 when it was rejected for the USM by the Stock Exchange Quotations Panel on the grounds that "the profits record did not justify the market capitalisation."

Subsequently, Memcon, beat its flotation forecast by 100 per cent—producing pre-tax profits of £1.22m on turnover of £4.6m for the year to the end of last April.

Profits for the six months to the end of October were £508,000, including £190,000 from the beneficial impact of exchange rate changes, on turnover of £3.5m.

These profits have been struck after charging the costs of developing a new reprographic technique—known as the Ovonic Proces—which accounted for £288,000 in 1983-84 and £535,000 in the first half of the current year.

Memcon says that while it has not delivered any Ovonic Process equipment yet, it expects to do so in the near future.

There is no interim and no profits or dividend forecast, because the timing of large orders is unpredictable, says Memcon. However, results for the year to the end of April will "reflect a period of consolidation for the group." Dealings are expected to begin on Monday. Brokers are W. Greenwell.

Tarmac plans to float off Plascom

By Alison Hogan

Tarmac, the quarrying and civil engineering group, plans to float off its oil and gas subsidiary Plascom on the stock market.

Directors of Tarmac are holding discussions with financial advisers with the aim of bringing Plascom to the market in early summer, possibly June. Tarmac would probably keep between 70 and 75 per cent of the equity of the company which may attain a market capitalisation of £20m to £30m.

Plascom contributed around £4m at the pre-tax level to Tarmac's total profits of £95.6m in 1983.

Mr Graham Odgers, a managing director of Tarmac said that the flotation would allow Plascom to broaden the scope of its activities at a faster rate with access to additional capital outside of Tarmac.

Plascom has extended its acreage since it first took a stake in the Hewitt field with Philips in the 1960s. During 1983 it agreed with British Gas to appraise and develop the Audrey gas field and also agreed to purchase a 6.25 per cent stake in the BP Forties field for a cash consideration of £7.5m. It also has other participation in the North Sea, offshore Holland and Spain and on shore in the U.S.

Peerless hit by bad debts

AFTER A special provision of £200,000 for potential bad debts in its Headway distribution and marketing subsidiaries, Birmingham-based Peerless has made a small increase in pre-tax profits, from £549,000 to £563,000, for the half year to end-September 1984.

Mr W. S. Jordan, chairman of this plastics, electronics, metals and *domestic engineering* concern says, that the recently identified problem at Headway means that profit for the full year will be "adversely affected."

He says that a detailed investigation has disclosed failures in credit and stock control and "the final figure cannot yet be quantified." Fundamental management changes have already been made.

The interim dividend is being held at 2.1p net. Last year's 6.3p total was paid from profits of £1.3m. Net earnings per share were shown down at 2.3p (3.9p).

Peerless is advancing into *higher technology,* which over the next year or two Mr Jordan says, will justify the significant capital expenditure of recent years.

Already Peerless Control Systems has secured a substantial order for its range of colour control systems from a multinational food manufacturer, and Peerless Foam Moulding is delivering its computer and electronic equipment housings and other ancilliaries to Acorn, Racal and Sinclair. The plastics companies also expect to do well.

Turnover moved ahead to £22.9m (£20.59m) in the first half. Profits from associates fell from £76,000 to £10,000

High level of activity at Wintrust

Pre-tax profits of Wintrust, banker, improved from £1.3m to £1.26m in the six months to September 30 1984.

Activity in all departments was at an exceptionally high level and the directors expect this to be reflected in the outcome for the full year.

Tax for the first half accounted for £501,041, against a previous £364,091, to leave the net balance little changed at £759,523, compared with £766,973.

The first interim dividend was pass (0.1p) but the second payment is being stepped up from 1.33p to 1.6p—a final of 2.87p was paid for 1983/84 from record pre-tax profits of £2.38m (£2.15m).

Earnings per 20p share slipped from 8.42p to 8.33p.

Technical hitch overcome at Applied Holographics

Applied Holographics' high-speed hologram copiers, the AHS-1 System, has been formally accepted by its first customer within a few days of installation.

Technical problems that delayed the launch of the System have been overcome, and alternative software units have been developed, which, the company says, are operating satisfactorily.

The directors in their inaugural interim statement (the company joined the USM in June) are "encouraged" by the formal acceptance. They say that one of the first production AHS-1 machines has been retained to launch an in-house bureau to satisfy bulk orders for holograms.

It is considered that the establishment of the bureau will not only generate substantial revenues, but also "assist the promotion of this unique system to world markets and further the education process which must inevitably be associated with the acceptance of such a new product."

The company's operating loss for the six months to end-September 1984 amounted to £96,213, against £70,314 for the comparable period. There was investment income of £63,420 (£24,460). Interest payable came to £1,554 (£1,287), leaving a loss before tax of £34,347 (£47,141).

There was no tax this time (£7,338). The loss per 5p ordinary is shown as 0.6p (1.4p).

Mr O. C. Boxall has agreed to become chairman and managing director.

English Assoc. nears £1m at six months

First half income from all activities of the English Association Group was up to best expectations and despite taking account of a general loan provision this time of £350,000 pre-tax profits for the period rose from £845,600 to £931,500.

The provision was made to enable the directors to continue building up a general reserve in line with the increasing profits and expansion of the business.

The group, with interests in banking, is continuing to trade successfully in all its activities and the *prospects* for the remainder of the year to June 30 1985 are viewed with confidence.

Meanwhile, the interim dividend is, in effect, being increased from 0.91p to 1p net per 25p share after allowing for last August's one-for-ten scrip.

Earnings per share emerged at 3.14p (4.45p adjusted)

The group made pre-tax profits of £1.6m (£7.95m) for 1983-84 after a general loan provision of £350,000. In their preliminary statement the directors said they intended to maintain the dividend at 3p on the increased capital for this year.

Yearlings at £5.75m

YEARLING BONDS totalling £5.75m at 13¾ per cent, redeemable on February 5 1986, have been issued by the following local authorities:

Daventry District Council £0.25m; *Roxburgh D.C. £0.5m;* East Lindsay D.C. £0.5m; Wansbeck D.C. £0.25m; Derwentside D.C. £0.35m; Milton Keynes (Borough of) £0.75m; Mole Valley D.C. £0.25m; Chester (city of) £0.5m; Edinburgh (city of) D.C. £1.25m; Hillingdon (London Borough of) £1.2m; Brentwood D.C. £0.25m.

Williamson Tea

At the annual meeting of Williamson Tea Holdings on January 29, Mr R. B. Magor, the chairman, said that world demand continued to outstrip supply and as a result tea prices were booming.

Public Works Loan Board rates

Effective January 30

Years	Quota loans repaid by EIP†	At‡	at maturity§	Non-quota loans A* repaid by EIP†	At‡	at maturity§
1	—	—	13¼	—	—	13¾
Over 1, up to 2......	12¾	12¾	13¼	13¼	13¼	13¾
Over 2, up to 3......	12¾	12⅞	12¾	13¼	13⅛	13¼
Over 3, up to 4......	12¾	12¾	12¾	13¼	13¼	13¼
Over 4, up to 5......	12¾	12¾	12¾	13¼	13¼	13¼
Over 5, up to 6......	12¾	12¾	12¾	13¼	13¼	13¼
Over 6, up to 7......	12¾	12¾	12¾	13¼	13	13¼
Over 7, up to 8......	12¾	12¾	12¾	13	13	13¼
Over 8, up to 9......	12¾	12¾	12⅝	13	13¼	13
Over 9, up to 10 ...	12¾	12¾	12¾	13	13¼	13¼
Over 10, up to 15...	12¾	12¾	11¾	13¼	12¾	12¾
Over 15, up to 25...	12	11¾	11¾	12¾	12¾	11¾
Over 25	11½	11¾	11¾	12	11¾	11¾

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

UK COMPANY NEWS

MINING NEWS

Papua New Guinea intensifies pressure on OK Tedi partners

BY GEORGE MILLING-STANLEY

THE Government of Papua New Guinea has significantly stepped up bie pressure on its partners in the troubled Ok Tedi gold and copper mine by giving them until tomorrow to set a specific timetable for hte project's next stage.

Ok Tedi Mining, the joint venture company in which the PNG Government has a 20 per cent stake, has been producing gold since last May from a "cap" of ore on top of Mount Fubilan, high in the remote Star Mountains. The original plan called for the money raised from the initial, gold-only, stage to be used to finance the second phase, involving the production of copper and gold.

This phae was expected to start about the middle of 1986 and run for three years or so, after which the gold would be exhausted and Ok Tedi would become a pure copper mine. Before the second phase can go ahead, the partners are committed to the construction of a hydroelectric power scheme and a permanent system for dealing with mine waste.

The U.S.$1.4bn (£1.26bn) project was dogged by misfortune throughout the construction stage. It also suffered from the precipitate fall in metal prices since the original development plans were agreed.

In recent weeks, delays in the planning of the development work necessary for the second phase have aroused the Government's fears that its partners, Broken Hill Proprietary (BHP) and Amoco Minerals with 30 per cent each and a consortium of West German interests with the remaining 20 per cent, might be contemplating abandoning the project once the gold stage is over.

The Government's strategy has been both aggressive and conciliatory, with threats to close the mine being followed by financial concessions to the commercial partners. But the latest move to set a definite deadline for the development plans demonstrates the depth of the authorities anxiety.

BHP, which has taken the initiative in recent negotiations with the Government, said yesterday that while the lates move did not constitute a crisis, it was taking the deadline seriously. The participants in Ok Tedi Mining have been meeting in Port Moresby, capital of PNG, and a further statement is expected today.

Zetters moves ahead to £0.6m

BOTH DIVISIONS of Zetters Group, its football pools and its bingo clubs and hotel, have performed "very satisfactorily" in the six months to September 30 1984, the directors say, with taxable profits up from £569,000 to £601,000.

The interim dividend is increased by 0.1p to 1p net. For the year to end-March 1984 a total of 3.25p was paid on profits of £1.39m.

Turnover fell by £262,000 in the first half, to £12.05m, but the directors say that the stake increase on the treble chance pool in November 1984 has produced the anticipated increase in turnover so far. The exceptionally bad weather this month is bound to have some adverse effect on profit for the remainder of the financial year, however, they add.

The tax charge this time fell from £308,000 to £288,000. The lower rates of corporation tax are already benefitting retained profits and cash flow available for further expansion of the group.

Underlying trend at Oceana Cons. is continuing to rise

ALTHOUGH pre-tax profits of the Oceana Consolidated Company are shown to have fallen from £1.1m to £140,139 over the six months to September 30 1984 the directors say the underlying trend in income anticipated in last year's report continues upwards.

They point out that profits in 1983-84 included a "significant" gain from a reduction in the company's holding of LRC International shares which was not repeated in the opening half of the current year.

Since the end of September, however, further sales of LRC have been made totalling 450,000 shares which will favourably affect the results for the full year. This continues the policy of broadening the company's investment portfolio.

All aspects of Oceana's business are performing well and another satisfactory full-year result is expected.

Turnover for the half year amounted to £198,739 (£1.12m). Tax fell from £296,173 to £53,142 to leave the available surplus at £85,087, compared with £801,931.

Earnings per 25p share dropped from 19.62p to 2.08p.

Group pre-tax profits for the first half of the 1983-84 year included realised gains from the sale of 1m LRC shares amounting to £963,214. Profits for the full year advanced to £1.31m (£859,680).

In his statement with the report and accounts for the year Sir Edward Howard, the chairman, told shareholders that while it was unlikely that the high recent level of investment gains would be repeated this year he anticipated that the underlying trend in income would continue upwards.

The principal activities of the group are those of an investment trust.

Anglo United falls into the red

PLANT PROBLEMS in the U.S. and the impact of the UK miners' strike on domestic marketing operations combined to give Anglo United Development a loss for the year to October 31 1984.

In recognition of the fact that the company plans to concentrate future expansion in the UK, where most of the shares are held, Anglo United has presented its results in sterling. These show a net loss for last year of £481,000, against profits in the previous 12 months of £1.4m, restated to take account of the currency conversion.

The company's open-cast coal operations in the U.S. and UK produced profits before taxes and write-offs of £1.33m, down from £1.88m the previous year, but this was virtually wiped out by write-offs totalling £1.3m in respect of exploration activities which have been given up. Future exploration will be carried out through the Irish subsidiary Munster Base Metals.

Anglo United said yesterday that hte miners' dispute in the UK had had no effect on production, but seriously disrupted marketing efforts, with major customers such as the Central Electricity Generating Board unable or unwilling to accept deliveries for fear of industrial action.

In the U.S., a coal preparation plant dating from the 1940s at the Gowen mine had to be replaced. The new plant was commissioned several months late in October last year, but has now relieved the bottleneck and brought about an increase in production.

COMPANY NEWS IN BRIEF

The directors of Hambro Trust are to raise the net interim dividend from 1.59p to 2.15p on the £1 (25p paid) and 25p (fully paid) limited voting shares.

The company's principal asset comprises shares in Hambros which has paid increased interim dividends primarily to reduce disparity. As the dividends from Hambros have increased, the amount available for ordinary holders (322,000) is materially greater than at December 31 1983 when it was £238,000.

* * *

Kellock Trust, which is involved in recourse factoring of book debts and in leasing services, has achieved an increase in pre-tax profits for the year to end-December 1984 from £483,000 to £726,000, on turnover ahead by £977,000 at £3.54m.

The dividend is lifted from 0.35p to 0.6p for both the 5p ordinary and variable rate convertible preference shares.

The company is proposing an underwritten rights issue of £572,600 floating rate unsecured loan notes 1987-88 at par in the proportion of one £1 nominal loan note for each 25 ordinary or preference shares.

Interest payable will be 2 per cent over Libor, and the notes will be redeemed at par on March 31 188, or, with three months' notice by the company at any time after March 31 1987. The proceeds will be used to expand the capital base of its principal subsidiary, Kellock Factors.

Tax this time took an increased £294,000 (£250,000), while earnings were stated at 1.65p against 0.7p per share.

* * *

Pre-tax profits at the IDC Group improved from £1.07m to £1.52m in the year to October 31 1984. Turnover of this designer and constructor of industrial, domestic and commercial buildings—it also has interests in fire protection services—rose substantially from £41.77m to £57.51m. After tax down from £341,000 to £163,000, stated earnings per 20p share were up from 10.8p to 20p.

The final dividend is raised from 5.124p net to 5.729p for an increased total of 7.5p compared with 6.734p.

* * *

Although first half pre-tax profits at Meat Trade Suppliers improved from £70,731 to £79,647 the directors say they were disappointed with the results.

There were increased costs on static turnover of £3.79m (£3.82m) for the six months to October 1 1984. Sales were affected by the hot summer especially in the meat trade on Smithfield market. The company makes and supplies sausage casings and butchers' equipment.

The interim dividend is being held at 1.75p net. Earnings per 25p share were 1.67p (1.29p). A final of 3.5p was paid for the last full year.

Atributable profits for the first half were £43,806 against £33,951 after tax slightly lower at £35,641 (£36,780).

* * *

A fall in profits from property sales was mainly behind a slump in pre-tax profits from £1.09m to £371,000 at United Kingdom Property Company in the half-year to September 30 1984.

Profits from property sales, together with sundry income, added only £208,000 this time, compared with £964,000. Gross rental income contributed £950,000 (£986,000), while the net figure was £917,000 (£895,000).

The company, ultimately owned by The British Land Company, received no interest this time, against £2,000, while interest payable was £754,000 (£755,000).

* * *

Pawnbroker Harvey & Thompson increased profits before tax from £187,000 to £194,000 for the six months to December 31 1984.

Mr R. A. Galliers-Pratt, chairman, said the USM company continues to pursue the policy of opening new branches. Its shop in Dudley had opened and there were "exciting plans" for the current year including more branches.

He felt the results were encouraging given that at the annual meeting in October he had said that the rate of increase in profitability would slow in the current year because of the company's investment for the future.

He said it was important to appreciate that there was an inevitable lead time until a pledge shop could start to make a material contribution.

Turnover grew from £676,000 to £699,000.

The interim dividend is being held at 1.5p. Last year's final was 2p when pre-tax profits reached £404,000.

Stated earnings per 20p share declined from 4.99p to 3.3p after a higher tax charge of £90,000 (£30,000).

Pre-tax profits were struck after interest costs of £79,000 (£59,000). Attributable profits came to £104,000 (£157,000) from which dividends will absorb £47,000 (same).

* * *

Wheway Watson Holdings—Mr John Briggs, deputy chairman, has purchased 100,000 ordinary shares.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purposes of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims: Fleming Enterprises Investment Trust, Nova (Jersey) Knit.

Finals: Associated Fisheries, Blundell-Permoglaze, Derwent Valley, Thomas French, Lonrho, Warner Estate, Willoughby's Consolidated.

FUTURE DATES

Interims—
Heath (Samuel) ... Feb 8
Howard Shuttering ... Feb 5
Ramar Textiles ... Feb 26
Whitworth Electric ... Feb 12

Finals—
British American & Gen. Trust ... Feb 1
Channel Islands & Intnl. Inv. Trust ... Feb 13
Crouch (Derek) ... Mar 1
English and New York Trust ... Feb 5
Fleming American Invest. Trust ... Feb 6

Glanfield defence collapses as 'discrepancy' is found

BY MARTIN DICKSON

Gregory Securities' long and tortuous £2.62m takeover bid for Glanfield Lawrance, motor dealer, took a surprising turn yesterday with an estimate from Glanfield that it made a small pre-tax loss in 1984, due to "a significant discrepancy in the management accounts" of a subsidiary.

This compares with an estimate only last month that the company would do "slightly better than break-even" at the pre-tax level, and a forecast in March last year of profits of not less than £250,000.

The Glanfield board has been opposing Gregory's advances for the past five months. But it said yesterday that in the light of current circumstances, particularly the recent deterioration in the company's trading performance, it was now recommending shareholders to accept the offer, unless the market price of its shares exceeded the offer pric over the next few days.

Gregory, an investment company headed by Mr Jim Gregory, chairman of Queens Park Rangers football club, is offering 49½p per Glanfield ordinary, against a closing price last night of 50p, down 1p on the day.

Gregory was given permission by the Takeover Panel in December to cut the value of its bid from 55p a share following the downgrading of Glanfield's 1984 profits forecast. But the panel turned down a request by Gregory earlier this month for a second reduction.

Yesterday the Glanfield directors said that pending a detailed investigation, it was not possible to ascertain whether any of the discrepancy would be recoverable. The company was therefore making a full allowance and estimated that the group had incurred a small loss for the year.

It also estimated 1984 extraordinary losses at about £216,000, compared with £225,000 in December, and the company's net assets per share at 60p.

Glanfield diirectors representing 17.3 per cent of the company's equity intend to accept the Gregory offer, while board members, holding a further 2.9 per cent, intended to keep theirs to maintain a future interest in hte group.

Johnson Gp. expands U.S. links

Johnson Group Cleaners has expanded its presence in the southern "Sun Belt" states of the U.S. with the $6.5m purchase of two South Carolina dry cleaning chains.

Mr John Crockatt, Johnson's chairman, said yesterday the acquisitions would give the group a substantial holding in South Carolina—together with its existing interests there, market share in the state will reach about 20 per cent.

Total U.S. sales were now above $35m a year, he said, and further purchases were being planned.

The moves form part of Johnson's U.S. growth strategy, highlighted by the company in its successful defence of a £53.2m bid by Nottingham Manufacturing which lapsed last month.

The two businesses are Coleman Young Enterprises, with 19 retail outlets in the towns of Spartanburg and Greenville, and Prestige Cleaners, also Greenville-based and with 16 shops extending to the southern coast.

Combined pre-tax profits of the two stood at $846,000 in 1983, on sales of $4.6m. By the end of that year, net tangible assets amounted to $1.5m.

Johnson said it had financed the purchases initially from bank borrowings, but added that its appreciating property portfolio and profits from the U.S. businesses would help fund further expansion.

Coleman Young's former owners are to stay on to manage the business, and will also control the inland operations of Prestige. The coastal outlets of Prestige are being taken on by the Three G chain which Johnson bought last April.

P&O computer offshoot sold to management

Peninsular and Oriental Steam Navigation Company has sold its computer subsidiary, P & O Computer Services, to that company's management for more than £400,000.

This sale is part of P & O's policy, announced when Sir Jeffrey Sterling became chairman in November 1983, to dispose of peripheral operations.

Investment properties, P & O Travel, the Falco oil trading and distribution business in the U.S. and the cross-Channel ferry fleet have been sold.

The computer company, which has been renamed PCL Computers, is believed to be marginally profitable on turnover of about £5m.

C & C buys Irish Mist

Cantrell & Cochrane, the Dublin-based drinks subsidiary of Allied-Lyons, has bought the Irish Mist Liqueur Company from the privately owned Williams Group of Tullamore for an undisclosed sum.

Irish Mist, a whisky blended with honey and herbs, is sold exclusively for export, with more than half its total sales of some I£5m a year going to the U.S. It competes in the high-strength liqueur market.

Mr Anothony O'Brien, managing director of C & C, said yesterday it intended to expand the marketing and distribution network of the brand. C & C had sought out the company, and wa: planning to add further *export brands to its own overall* range.

C & C, which has an annual turnover of about I£90m, has been diversifying into the alcohol market from its traditional base in soft drinks.

Ultramar agrees revised carrier terms

Ultramar has agreed revised terms with Astilleros Espanoles, S.A. fo rthe purchase of six oil-bulk-oil carriers. The vessels, each of 76,000 dwt are intended largely for service in Ultramar's in-house transportation system.

The agreement provides for a reduction in the overall cost of the construction programme and and a revised schedule under which the vessels will be delivered at two month intervals beginning on January 31, 1985.

Butterfield looks for 'better offers'

Butterfield-Harvey, the loss-making mechanical engineering group being bid for by Technology of the U.S., has disclosed that it is talking to other companies in the hope of getting a better offer.

However, the company's room for manoeuvre is severely restricted by the fact that Technology, which already owns 11.1 per cent of Butterfield's equity, has share option and conversion rights which, if exercised, would give it 55.1 per cent of Butterfield's enlarged equity. Technology's agreement is therefore vital if any sale to a third party is to go through.

Butterfield, and its advisers Samuel Montagu, said that the talks "may or may not lead to a better offer" and they advised shareholders to take no immediate action on the Technology bid.

Technology is offering 25p in cash for each Butterfield ordinary, valuing the company at £3.61m. Butterfield's shares closed last night at 26p, up 1p on the day.

Butterfield—products include Shelvoke refuse collection vehicles—was given a £2m cash injection by Technology in 1983 in return for loan stock convertible at 50p—later reduced to 25p—and share options exercisable on the same terms.

Buteerfield is believed to have had several inquiries from potential buyers of all or part *of the company since Technology* launched its bid on January 17.

Mr Maurice Krug, the chairman of Technology, holds the same position at Butterfield, but has not participated in Butterfield's discussions on the offer. The same applies to a second Technology director on the Butterfield board, Mr J. Mulligan.

Croxley agreed bid for AVS

Croxley Securities, a newly incorporated financial services company, has made an agreed bid for Applied Voice Synthesis, in which Prior Harwin Securities makes a market for the shares.

Croxley, which on Monday bought 29.8 per cent of AVS, is offering one of its own shares or 4p cash for the remainder equity. The deal values AVS at some £72,241.

AVS makes a "talking" echo sounder of use by yachtsmen. Last September a minority of its shares was offered for subscription at 30p.

Amari plans to sell extrusion business to Norwegian group

BY CHARLES BATCHELOR

Amari, one of the leading independent UK aluminium manufacturers, plans to sell its extrusion business, Century Aluminium, to Ardal og Sunndal Verk (ASV), the state-owned Norwegian producer, for up to £7m.

Amari intends to concentrate on its metal and plastic stockholding and distribution business in the UK, the Continent and North America.

ASV has paid £55,000 for a 90-day option to complete the purchase subject to a review of Century's audited accounts for the year ended December 31 1984. Century expects to make a pre-tax profit of £700,000 in 1984.

The sale terms represent a major success for Amari. The complete group was bought by *its management and a number of* financial institutions from British Petroleum for £5m at the end of 1983. It obtained a stock market listing in July 1984.

ASV will pay a minium of £4.2m with an additional £500,000 becoming payable depending on Century's future profit performance. In addition ASV is taking £2.4m worth of Century's external debt.

Century operates two plants at Sanquhar, Dumfriesshire, and Birtley, Tyne and Wear, with a capacity of 15,000 tonnes a year —enough to meet 10 per cent of total UK demand. It made an operating profit before central costs of £800,000 on turnover of £15m in 1983.

Ms Nicola Brookes, director responsible for corporate development at Amari, said: "We are not a manufacturing company at heart. This will allow us to concentrate on the areas we are best at—extending our range of products for distribution and expanding overseas."

Amari distributes a broad range of stainless and special steel, copper, copper alloys, plastics and aluminium. It believes its range of products and different geographical *markets* should reduce the cyclical nature of the aluminium market.

The Century sale will not directly affect Leavlite, the Amari division which finishes and coats aluminium extrusions though the position of Leavlite "needs some thinking about," Amari said.

Amari's shares rose 5p to 126p yesterday to match its previous 1984/85 high point.

Crystalate eyes Far East as stepping stone to U.S.

BY CHARLES BATCHELOR

Crystalate Holdings, the electronics components group, plans to increase its exports to the U.S., possibly by acquiring a Far East electronics marketing group with established links with the U.S.

This should provide a more effective means of expanding in the U.S. market than for Crystalate to try to set up a marketing operation from the UK, Mr John Leworthy, chairman, said after yesterday's annual shareholders' meeting.

A marketing company based in, say, Hong Kong, might also provide a base for sales to China, he added.

Crystalate currently exports 16 per cent of its UK production with 5 per cent going to North and South America, although many of its components go into equipment exported by other companies.

A Far East acquisition would be funded from the £15m cash Crystalate still has left over from the sale of the Royal Worcester fine china business to LRC International, the contraceptives and health care products group, for £18m to £20m last September.

Much of the £15m has already been committed to expanding Crystalate's existing businesses.

As part of its efforts to expand overseas business, Crystalate took over the assets of GCIE, a French company refurbishing and factoring telecommunications equipment, which had gone into liquidation. This company may allow Crystalate to open up markets in the French sphere of influence in Asia and Africa.

British Telecom, which accounts for a quarter of all Crystalate's sales, may prove a problematical customer over the next 18 months. Its buying policy may continue to be influenced by a need to "window dress" its accounts to please its many small shareholders.

Changes at Ellerman

The Ellerman shipping and brewing group, privately owned by David and Frederick Barclay through Ellerman Holdings, has a new corporate structure from February 1. Ellerman City Liners is to merge into its parent organisation and former holding company, ELLERMAN LINES. Mr A. R. C. B. Cooke has been appointed chairman and chief executive, and Mr W. A. Amphlett-Lewis, Mr C. R. Crewe, Mr R. H. S. Dilley, Mr P. G. Fullagar, Mr R. A. Lloyd and Mr M. G. Parker have been appointed directors. The above are currently chairman and directors respectively of Ellerman City Liners, shipping division of Ellerman Lines. Ellerman Lines now comprises the container operating and shipowning activities carried out by Ellerman City Liners; the Ellerman South Africa Group, principally made up of ships' agency and cold storage activities, and the Ellerman shipping and forwarding interests in East Africa.

★

Mr E. B. O. Sherlock, a director and general manager and actuary of The Equitable Life Assurance Society, has been elected chairman of THE LIFE OFFICES' ASSOCIATION. Deputy chairman since January 1983, he succeeds Mr M. H. Field. Mr R. F. C. Zamboni was elected deputy chairman of the Association. He is managing director of Sun Life Assurance Society.

★

Mr Les Friend has been appointed managing director of ESSI INTERNATIONAL, LONDON, a new subsidiary of Energy Support Services Inc., Pennsylvania.

★

McDONALD'S HAMBURGERS has promoted Mr Robert E. Rhea from president to chairman. He continues as chief executive officer. Mr Paul Preston has been appointed president and chief operating officer. Mr Marcus Hewson, has been appointed vice-president, regional manager.

★

Mr Brian Thompson, managing director of Domnick Hunter Filters, has been appointed to the board of WALTER ALEXANDER.

★

Mr Chris Lingard has been appointed to the board of HYDRA CONTRACTS, Cotlingham.

★

CITICORP INVESTMENT MANAGEMENT has appointed Mr Tony Watson as chief investment officer, institutional international investments, and chairman of the international asset management committee. He was a managing director with Touche Remnant Pension Fund Management.

★

PARKER HANNIFIN has appointed Mr Brian Watts as its UK managing director. He is Parker's European trading subsidiaries vice president based at Watford. Previously, he was director and chairman of Parker Hannifin Australia.

★

Mr Norman Royal has been appointed managing director of HERITABLE FINANCE, leasing and instalment credit subsidiary of The Heritable and General Trust. He was managing director of Philips Finance Services before leaving to set up his own company Royal Finance, which has now been acquired by the Heritable group.

★

Mr James A. Cole, Jr, vice-president in charge of the marine department of Texaco Inc, New York, since 1979, has succeeded Captain W. H. R. Lawrence of Shell International Marine, as chairman of the executive committee of the OIL COMPANIES INTERNATIONAL MARINE FORUM.

★

ASSOCIATED BRITISH PORTS has made changes in top management. The port manager at Grimsby and Immingham, Mr John Hughes will be retiring on March 31 and will be succeeded by Mr Dennis Dunn, who is port manager, Cardiff and Barry. Mr Brian Harding will move from port manager at Goole to succeed Mr Dunn at Cardiff and Barry. The new port manager at Goole will be Mr Colin Sylvester, currently the assistant port manager at Grimsby and Immingham. Mr Ray Klinck, port manager at Lowestoft, will succeed Mr Stuart Bradley as deputy port manager, Hull, when the latter becomes Hull's port manager on July 1.

★

Following the death of Lord Harlech, chairman of FALCON, Mr R. F. Monk, chief executive, has been appointed acting chairman. Mr A. J. Aman, secretary of Falcon since its inception in 1983, has been appointed a director.

★

ALGEMENE BANK NEDERLAND has appointed Mr R. Arthur Arnold and Mr Maarten C. van de Pell as general managers UK to succeed Mr Louis J. van Hellenberg Hubar on his retirement as manager for UK and European dependencies. Mr Willem Wagner has been appointed deputy manager of the London branch.

★

Mr Tim Mawby has been promoted to financial director from financial controller/company secretary at McCORMACK & DODGE, Bristol.

★

Mr E. J. Jordan has been appointed chairman of the LONDON METAL EXCHANGE COMMITTEE and Mr M. Frankel becomes vice-chairman.

JOBS COLUMN

The high cost of being 'people-unconscious'

BY MICHAEL DIXON

"YOU never expected justice from a company did you? They have neither a soul to love nor a body to kick," *said the Rev* Sydney Smith about 150 years ago.

He was pinpointing a thought which must occur to innumerable people when they are about to quit their present employer, and not only those who have no choice in the matter. For every person who has that thought on being sacked, there are probably dozens who think it when they are leaving against their management's wishes and will cost it dearly to replace.

In such cases most companies seem to suffer from a third deficiency not listed by Canon Smith, according to the Institute of Personnel Management's latest Guide to Cost-Effective Recruitment. Besides having neither soul to love nor body to kick, they evidently also lack the wit to learn from the departures of people they would much prefer to keep.

When valuable employees give notice that they are off to a better job elsewhere, their boss will frequently try to change their minds. But in *doing so the bosses' concern* usually goes no deeper than trying to match the other employer's offer. They rarely learn from the experience by asking the leaver "What has the organisation done to dissatisfy you? let alone "What have I *done wrong?*"

What's more even managers who do try to find out the company's responsibilities for *its losses of human assets tend* to look no farther than the specific complaints voiced by the leaver, and to treat them as the causes of the wastage. The author of the IPM guide, John Courtis, says that both those tendencies amount to additional sins of omission.

For one thing, "termination interviews are full of pitfalls. An executive who has resigned is looking forwards not backwards; he wants to leave in a rosy glow, he wants a good reference. He rarely tells the whole truth . . ."

The best prospect of eliciting the truth is probably "to make the discussion as impersonal as possible and to ask what academic background, training, skills and personality" the leaver's replacement should have. "One should also remember to ask if a replacement is necessary. One might also ask if the individual thinks he has a successor inside the company. The answer will probably be informed and objective."

For another thing, even then the specific reasons given by the leaver for wanting to go will usually denote, not the true causes of the fed-upness, but merely symptoms of it. "One particular unit turned from a happy band of brothers into a *snarling mass of resentment in* 24 hours following a notice from a new manager saying 'Don't walk on the grass'." *Withdrawing the notice, and* even encouraging them to dance on the lawns like Dervishes would surely have been unlikely to restore productive harmony.

Mr Curtis believes that the real root of the trouble will most often be that the management, however profit-conscious it may be, is people-unconscious in ways that don't just fail to motivate key workers but positively demotivate them. And it is usually easier for managers to go on overlooking such deficiencies than to seek out and remedy them, because their costs are not readily apparent.

"It is perfectly possible to run companies with (staff) turnover levels which would be considered disastrous in other organisations or other sectors, but it is seldom the best way to operate. Even in those sectors where lemming-like losses are considered acceptable, all or part of the losses may be curable. These losses cost money, so even the most profit-conscious, people-unconscious management can learn something by analysing the root causes of each loss and its cost and possible cure."

As well as ceasing to drive out valuable employees, he adds, companies can often save the heavy expense of recruiting outsiders by checking carefully to see whether unavoidable *vacancies can be filled by people* already on the payroll but under-used *if not redundant in* their present position, or even *be left unfilled.*

In short, Mr Courtis's message is that the best way to be cost-effective in recruitment is to avoid any need for it wherever possible. Which seems generous of him since he earns his living by running a headhunting consultancy, and so stands to lose more by a drop in external recruitment by employers than he could gain from his royalties as author of an IPM guidebook selling at £6.50.

"It's a risk, I suppose," he said. "But not a very real one. I wouldn't say such things if I hadn't learned over years that company managers never listen."

Mayday!

"BY THE WAY," he added, "*would any of the Jobs* Column's readers be interested in a post we're handling. It's a real stinker—which is what job advertisements usually refer to as a 'challenge'?"

The employer is a service company of international scope. Rapid expansion has raised its sales into tens of millions and profits to millions, but given it cash problems too. It needs a qualified accountant equipped by experience to establish the controls and systems required to turn the growth into cash *more quickly.*

Salary about £30,000 plus car.

"As the cash shortage could be misinterpreted, I can't risk giving the service sector or location, let alone name," Mr Courtis said. Consequently he—like the other recruiters mentioned later—promises not to identify any applicant who so asks to the employer at this stage.

Inquiries to his colleague Bill Agar at John Courtis and Partners, 104 Marylebone Lane, London W1M 5FU; telephone 01-486 6849.

Life expansion

AN AMBITIOUS United States insurance group wants a business development manager to expand its British life and pensions interests. The job is offered through the N. W. Gibson International headhunting concern, which is associated with the Executive Appointments consultancy.

Orde Wingate, the recruiter in charge, says the responsibilities include seeking out and testing the feasibility of new business opportunities, and developing and ensuring the supply of the new products needed to exploit them.

Candidates should have copious experience in life assurance, preferably internationally, demonstrable ability not only to *think up good commercial ideas* but to take the lead in turning them into practicalities, and the skills of diplomatic persuasion *in both speech and writing.*

Salary negotiable from £23,000. Other benefits include car, bonus scheme and subsidised mortgage. Base is southern Home Counties.

Inquiries to Mr Wingate at 18 Grosvenor Street, London W1X 9FD; tel: 01-499 0513, telex 27950.

Personnel chief

LASTLY today to Bahrain where headhunter Tony Nevile wants to send a top-notch personnel director to work with the Arab subsidiary of a United Kingdom multinational planning to expand its business in fast-moving consumer goods not just throughout the Middle East but also in South-east Asia.

With 20 staff, the newcomer will be responsible for all aspects of personnel work with emphasis on training, manpower planning and budgeting, salary administration, recruitment and safety.

Working knowledge of Middle East essential. Salary upwards of £40,000 tax-free plus usual expatriate perks.

Inquiries to Anthony Nevile International, 31 Castle Street, Farnham, Surrey GU9 7JB; tel: 0252 711311, telex 858902 Baron G.

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Position requires graduate, aged 27 to 40 with at least 5 years' experience in a directly related activity. Journalism background ideal. Some understanding of oil production, transportation, refining and marketing a pre-requisite. Experience as an oil analyst within industry or for a bank or stockbroker may also be considered. Occasional travel required largely within Europe.

This is a permanent position with a well established consulting firm located in modern offices in the West End. Overall responsibility for the publication will be assumed in due course.

Résumés including a daytime telephone number to Stephen Bleney, Executive Selection Division, Ref. 8193.

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London EC4A 4AQ

Mike Pope and David Patten Partnership

Banking Recruitment Consultants

PATTEN AND POPE EUROBONDS RECRUITMENT

Experienced Eurobond Trader/Sales £neg.
Eurobond Settlements Manager c. £25,000
FX Dealers to £23,000
Marketing Officers c. £20,000
Credit Analysts c. £12,000
Loans Administrators to £9,000
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Contact
MIKE POPE
or
DAVID PATTEN
2nd Floor
Bank Chambers
214 Bishopsgate, EC2
01-247 0653

Appointment of Deputy Secretary Elect

Owing to the impending retirement of the current Deputy Secretary, applications are invited for the office of Deputy Secretary Elect of the Society and comparable appointment in the Society's associated organisations. Combined salary and fees will total not less than £19,000. In addition there are contributory pension benefits and concessionary mortgage facilities. The administration office of the Society is based at Leicester. Re-location expenses would be paid where necessary.

Applicants, who should be under 50 years of age, must possess professional qualifications of practical value in the business of a Friendly Society or the life branches of insurance. A background of accountancy, investment or administrative experience at executive level would be appropriate.

Written application, giving full particulars of age, marital status, professional qualifications and experience must reach the Society by Ist March 1985 under sealed cover, addressed to:- The Chairman, Selection Committee, Hearts of Oak Benefit Society, 129 Kingsway, London WC2B 6NF endorsed "PERSONAL - Deputy Secretary Elect" in the top left hand corner.

The Society is an equal opportunity employer.

Hearts of Oak
Benefit Society
in association with
LONDON ABERDEEN & NORTHERN MUTUAL ASSURANCE SOCIETY LIMITED and
HEARTS OF OAK TRUSTEES LIMITED.

International Fixed Income

Fund Manager

c £18,000 plus benefits

Our client is a multinational insurance group with major interests in broking, underwriting and re-insurance. The group currently seeks an additional executive to play an active role in managing substantial funds, principally in the bond market.

Key requirements include:

★ a good working knowledge of the gilts market and of non Sterling instruments, particularly US $ bonds
★ strong interpersonal skills combined with a flexible approach
★ the ability to work under pressure and the enthusiasm to contribute to the team's success

Interested applicants, who are unlikely to be aged under 24, should telephone **Chris Smith on 01-404 5751,** or write, enclosing a detailed curriculum vitae, to Banking and Finance Division, 23 Southampton Place, London, WC1A 2BP, quoting ref. 3462.

MP
Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

STERLING MONEY MANAGER
Treasury Department ~ Jaguar Cars
up to £17,000 + 2 lease cars

Jaguar's return to private ownership is the real measure of the Company's success both in the UK and in key overseas markets where Jaguars' 1984 export figures set a new record with sales up by 17 per cent.

We are building on this success and our Treasury Department will play a vital role in ensuring we achieve our objectives.

Reporting directly to the Company Treasurer this new appointment carries full responsibility for the management of Jaguar's Sterling Money Market activities and will, therefore, be of considerable interest to a finance professional seeking real career development opportunity in a 'blue chip' company.

A minimum of two years dealing experience managing a Sterling Investment/Borrowing Book is essential and this should have been gained in a Bank, Local Government or Corporate Treasury. Experience of investment in the Sterling Certificates of Deposit and Acceptance Markets is also highly desirable.

In addition to the attractive salary and two lease cars the benefit package includes attractive bonus payment, pension scheme, discounted car purchase, free share scheme and 25 days holiday.

The Company is pleasantly situated within easy commuting distance of some of the finest countryside in the Midlands and relocation expenses will be covered where appropriate.

Please write in confidence giving full career details and current salary to:

Mr. P. Whurr,
Co-ordinator, Organisation and Personnel Planning,
Jaguar Cars Limited,
Browns Lane,
Allesley,
Coventry CV5 9DR
We are an equal opportunity employer.

JAGUAR

DATA PROCESSING

PROJECT MANAGER/ SENIOR BUSINESS ANALYST

IBM SYSTEM — 34/36

Reports to MIS Director at the U.S.A. Fortune 100 Home Office. This position will have total responsibility for the design, development and implementation of computer systems (Hardware and Software) in sales offices located in Munich, London and Paris.

Housed in Munich, you will be a "hands-on" Business Analyst capable of formulating logical statements of business problems and devising procedures for solution. A major task will be the selection, modification and installation of applications programs for Financial and Customer Service functions. Future opportunities include a broader role in our European Operations and/or a management role in the U.S.A.

Position requires familiarity with IBM System 34/36 and strong programming ability in RPGII. Prior Project Leader experience is mandatory. Heavy travel, within Europe and to the U.S.A. An appropriate education, 7-10 years' experience and fluency in German and English required.

Interested candidates should send a resume and salary history to: Peter J. Phillips, Hodes-Riley Recruitment Ltd., Old Court House, Old Court Place, Kensington, London W8 4PD.

Marketing - Asset Finance

This well-established and expanding finance company provides hire purchase and leasing services to a wide range of companies throughout the UK. We now have challenging opportunities for high-calibre individuals to sell these services in the Midlands and West Country.

This aggressively competitive market will, require an ambitious and determined approach. You will have previous experience of negotiating at director-level and be able to demonstrate a successful track record of selling similar facilities in the £10,000 to £1million market. A high degree of self-motivation is essential.

Salary will reflect your experience and the level of responsibility attached to the position. Benefits include a company car and non-contributory pension scheme.

To apply, please send full cv to the address below, quoting Ref: S3156/FT on the envelope. Your application will be forwarded directly to our client unopened, unless marked for the attention of our Security Manager, with a note of companies to which it should not be sent.

PA
PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6060 Telex: 27874

International Banking Recruitment Consultants

Jonathan Wren International is the specialist overseas appointments arm of the Jonathan Wren Group, the acknowledged market leader in the field of banking recruitment. Our clients rank among the top US, European and Arab banking institutions for whom we recruit middle and senior executives. As a result of continued demand for our services and planned growth, we now seek to appoint two additional consultants to join our highly successful team.

Ideally aged between 30 and 40, candidates should be self-motivated individuals with sound marketing abilities and good communicative and interpersonal skills and should possess a minimum of five years' banking or relevant consultancy experience.

One consultant will be appointed to the European Division and candidates for this post should be totally fluent in German, ideally with a knowledge of other European languages. The second consultant will initially be assigned to the Middle Eastern Division.

These positions represent challenging opportunities to join an expanding and professional consultancy and offer a high level of job satisfaction, excellent prospects and overseas travel.

Remuneration is a combination of competitive base salary and performance related bonus.

Please telephone or send a Curriculum Vitae to **Roy Webb, Managing Director, Jonathan Wren International Ltd., 170 Bishopsgate, London EC2M 4LX,** tel: 01-623 1266, telex: 8954673 WRENCO.

Jonathan Wren International Ltd
Banking Consultants

BADENOCH & CLARK

CHARTERED ACCOUNTANTS

Corporate Finance

On behalf of two of the City's major forces in the Corporate Finance field, a Merchant Bank and a Stockbroker, we are seeking additional executives to join their corporate finance departments.

Applicants should be graduate ACA's who have gained experience of mergers/acquisitions/flotations work in a City institution or "Top 8" accounting practice. Preferred age range: 25 to 30.

SOLICITORS

Corporate Finance

Two of our merchant banking clients require numerate solicitors to join their Corporate Finance teams. Applicants, in their mid to late twenties, are likely to have trained with a large City firm and have gained post-admission experience of corporate finance transactions either in practice or in a financial institution.

Salaries are negotiable and are likely to be in the £15,000 to £25,000 range together with an attractive benefits package.

For an initial discussion, please contact Robert Digby.

Financial Recruitment Specialists
16-18 New Bridge St, London EC4V 6AU
Telephone 01-583 0073

TREASURY

FOREIGN EXCHANGE OFFICER

Young Graduate/Banker — **£ negotiable**

Tootal Group operates and trades internationally with around half its turnover outside the U.K. A significant Group Treasury function supports this activity and, following career developments of present staff, a Foreign Exchange Officer is now required, based in our modern Head Office in central Manchester.

The initial task will be the management of the Group's U.K. foreign exchange dealings through the London money market, utilising our comprehensively computerised FX system. Further career opportunities will be available.

Candidates, male or female, probably in their early or middle 20s, are likely to be graduates and/or professionally qualified. Preferably they would already have foreign exchange experience, either in industry or banking – certainly they will be thoroughly numerate and at home with micro-computers.

We expect to negotiate an attractive initial salary, and benefits include BUPA membership. Assistance with home relocation will be available.

Please write with full career and education details to:

Mr. D. F. Dent, Group Personnel Manager, Tootal Group plc.
Tootal House, 19/21 Spring Gardens, MANCHESTER. M60 2TL.

Tootal Group

Appointments Advertising

Appears Every Thursday

Rate £37.00 per single column centimetre

Leasing Executive

required by major City-based company to develop a Leasing Department. The successful applicant should be fully conversant with the financial and taxation aspects of leasing and have conducted a similar operation.

The salary will be commensurate with the position.

Applications should be made in the strictest confidence to:

Box A8890
Financial Times
10 Cannon Street
London EC4P 4BY

TREASURY MANAGEMENT

Bank of America, one of the world's largest international banks, is seeking Treasury Management specialists for the London Headquarters of its Europe, Middle East and Africa Division. Successful applicants will be responsible for the development and provision of a wide range of Treasury Management services to our corporate clients throughout the Division.

Applicants, probably aged 25-35, should have a good understanding of the foreign exchange markets or a knowledge of cash management and may well have an accountancy or banking qualification or an MBA. They should certainly have at least 4 years experience in banking, management consultancy or a corporate treasury function and possibly have marketed financial services. Other areas of useful experience would include computerised corporate treasury applications, management information systems or banking accounting systems and operational procedures.

These appointments involve a substantial degree of overseas travel and client contact and it is essential that applicants demonstrate the personal qualities needed to deal effectively with all levels of management, particularly at a senior level. Fluency in a European language would be an advantage.

A competitive salary will be augmented by an attractive range of fringe benefits, including low-interest mortgage, non-contributory pension and free medical insurance.

Write, in strict confidence with full personal salary and career details to Martin Cluett, Personnel Manager, Bank of America NT & SA, 25 Cannon Street, London EC4P 4HN.

Bank of America

Business Analysts

City — c. £22k + Mortgage Subsidy

Our Client, a leading International Merchant Bank is seeking two Business Analysts in the Development of Information Services strategies at all levels within the Group.

Applicants should be Graduates, preferably MBA, aged 28-33 with several years of experience in the Financial Services Sector in an operational capacity. Experience covering such areas as Treasury Management, Sterling/Forex Dealing, Banking and International Capital Markets would be desirable.

Familiarity with the latest developments in Information Technology is essential in order to guide user management in the formulation and specification of business systems.

In addition to salary and mortgage subsidy, there is a full range of banking benefits.

Applications, which will be treated in strict confidence, should include details of career to date and be addressed to J. D. Vine (Ref. BA/31), Vine Potterton Limited, 152/153 Fleet Street, London EC4A 2DH. Please state separately if there are any merchant banks which you would wish not to approach.

VINE POTTERTON
RECRUITMENT ADVERTISING

FX Dealer

Saudi International Bank is a leading international bank, based in the City, with offices in New York and Tokyo. Its shareholders include the Saudi Arabian Monetary Agency and several of the world's major international banks.

As a result of the expansion of our dealing activities and overseas office opportunities being taken up by existing dealers, we are now seeking a man or woman with between 2-4 years' major currency dealing experience in both the spot and/or forward markets.

The position will be attractive to dealers, aged 23-26, who are interested in moving to a progressive operation offering first class career opportunities with salary and benefits in keeping with a bank of our standing.

In the first instance, please forward a c.v. to Sally P. Morse, Saudi International Bank, 99 Bishopsgate, London EC2M 3TB.

البنك السعودي العالمي المحدود
Saudi International Bank
AL-BANK AL-SAUDI AL-ALAMI LIMITED

Japanese Equity Sales
Package c.£50,000 + car

Do you have experience of selling Japanese equities in the UK and Europe? If so, why not join this progressive, highly respected broker where your ability will be recognised and rewarded by increased responsibility, excellent remuneration and good long term career prospects.

Based in the City this subsidiary of a major international brokerage house is looking for two Japanese equity salesmen. Whilst benefitting from being a member of an established team selling to customers in the Middle East, UK and Europe you will also have the advantage of working in a small informal environment where the emphasis is on development of long term professional relationships with clients.

You will be given the scope to operate independently and will be supported by first class research and communication facilities. Given the expansionary phase of the company you will be well placed to progress to senior management.

Aged 25-35 your background will include a sound knowledge of the Japanese stock market. Your approach will be highly professional and you will have excellent communication skills, flexibility and strong self motivation.

Take your interest further by telephoning or writing, in complete confidence, to Barbara Lord, Senior Consultant, Cripps, Sears and Associates Ltd., Personnel Management Consultants, 88/89 High Holborn, London WC1V 6LH. Tel: 01-404 5701 (24 hours).

Cripps, Sears

SALES FINANCE REPRESENTATIVE

Central London
c.£11,000 + benefits + London weighing + car

Hewlett-Packard Finance Limited, the specialist subsidiary company set up to provide leasing finance for Hewlett-Packard's UK customers, is expanding fast; a major leasing initiative is currently being promoted aggressively.

Based in Central London, you will be a key member of a dynamic sales team negotiating at senior management level.

You will be degree-qualified and have at least three years' commercial experience preferably in the leasing industry. Good communication skills are essential and you should feel at ease in a financial environment. Ideally, candidates should live in or near Central London.

Benefits package includes a company car, Christmas bonus, profit-share, share-purchase scheme, discounted BUPA and free life assurance and pension scheme.

Either telephone for an application form, or write enclosing detailed cv to Jean Darvell, Hewlett-Packard Limited, Miller House, The Ring, Bracknell, Berkshire RG12 1XN. Tel: Bracknell (0344) 424898.

Hewlett-Packard is an equal opportunity employer.

HEWLETT PACKARD

THE ROYAL LONDON
An Opportunity in Fund Management

The Royal London Mutual is a major U.K. insurance company with total assets of more than £1.5 billion. Due to a significant expansion of funds under management, a new position has been created within our small and successful investment team. Applicants should be in their early to mid-20's and have at least an upper second class honours degree in Economics or a closely related subject. In addition, applicants should have a lively interest in current affairs.

As a member of this team the successful applicant will be involved, after a short period of training, in both research and dealing in connection with a large portfolio of Stock Exchange Securities. Responsibility for managing funds will be given at an early stage and there are good prospects for rapid career advancement.

If you are interested, please write, enclosing c.v. to:-

The Investment Manager,
The Royal London Mutual Insurance Society Ltd.,
Royal London House,
Finsbury Square, London, EC2A 1DS.

THEODORE GODDARD & CO.

Are seeking applicants for the following vacancies in their expanding Company and Commercial Practice. Some relevant experience and a first class academic record will be required from successful applicants:—

COMPANY AND COMMERCIAL LAWYER

A vacancy exists in the Company and Commercial Department which serves a wide variety of companies, Listed, USM, International and Private. Candidates should be in their 20's and with a minimum of two years from admission.

INTELLECTUAL PROPERTY/COMPETITION LAWYER

A solicitor with specialist experience in Intellectual Property and U.K. and E.E.C. Competition Law and practice is sought. Experience in technology and computer work would be an advantage. Applicants should ideally have at least one year's post qualification experience in this work.

LABOUR/EMPLOYMENT/PENSIONS LAWYER

We seek at least one solicitor or barrister to join our rapidly expanding employment department. Some experience in industrial tribunal work and knowledge of corporate pension law and practice is desirable. In each case Salary and Benefits, which will take into account age and experience, will be attractive. Please apply with full curriculum vitae and quoting reference 56 to:

THE PERSONNEL MANAGER,
THEODORE GODDARD & CO.,
16, ST. MARTIN'S LE GRAND,
LONDON EC1A 4EJ

CORPORATE FINANCE EXECUTIVE

International securities dealer, London-based, seeks corporate finance associate to develop U.K. and European equity underwritings. Experience with European law essential, fluent German helpful. Must be free to travel. Unusual and highly rewarding opportunity to join fast-growing international financial organisation.

For immediate interview in London, Düsseldorf, Munich, Zurich or Geneva write to:

Box BCM-8466, London WC1V 3XX

FOREIGN EXCHANGE DEALING

Dealer – Treasury — £15,000–£20,000

Experienced FX spot/forward dealer, with some deposits background gained in all major currencies, is sought to join a small, active and successful dealing room in the City. Preferred age 23-30.

Please contact Norma Given

Young Spot & Corporate Dealers — £12,000–£15,000

We have been retained to fill a number of vacancies for experienced FX Dealers in the age range 22-30 years.

The positions vary from fairly small, but active, Dealing Room start-ups, to a major Bank employing many Dealers, each of whom is a market specialist.

Please contact Richard Meredith

EUROBONDS

ECU Trader/Sales — £ Neg

A rapidly developing U.K. Bond Sales and Trading Investment Institution would like to meet sales/traders with experience of ECU Trading to join their ambitious Trading area.

Several years Bond Sales or Trading experience is essential and the position calls for an ability to combine the ECU function with other Sales/Trading activities.

An excellent salary and benefits package is available to the right person.

Please contact Bryan Sales

Eurobond Sales/Trading — £ Neg

A number of Investment Banks and Security Houses are seeking Eurobond and FRN Sales and Trading people with at least 2 years experience covering either a geographical zone or specific products, at various levels, to cover FRN's, Dollar straights, European, Yen, and other non-Dollar products.

A European language would be an added advantage. Excellent salary and benefits packages are available.

Please contact Bryan Sales

Jonathan Wren & Co. Ltd., 170 Bishopsgate, London EC2M 4LX. Telephone: 01-623 1266

Jonathan Wren
RECRUITMENT CONSULTANTS

DIRECTOR
YORKSHIRE AND HUMBERSIDE DEVELOPMENT ASSOCIATION

The Association exists to promote the industrial and economic development and regeneration of a region rich in resources and on the doorstep of Europe. Financed and supported by central and local government, industry and commerce, and based in Leeds, it has an annual budget in excess of £650,000 and representation in the USA, Japan and Scandinavia.

The Director is responsible for all aspects of the Association's business (policy advice, strategy formulation, organisation, finance) and in particular for planning and implementing – through a capable and experienced team – a vigorous promotional programme of *events, visits, exhibitions, seminars, etc.*

Candidates, male or female, probably aged 35 to 50, could come from public or private sector. They must be proven managers and leaders, experienced in the marketing of products or services and with a thorough understanding of business organisation and finance.

Salary scale £24,927 x £621 (4) to £27,411 plus car; relocation assistance is available if needed.

Please write – in confidence – with full career details to D. A. Ravenscroft at Bull, Holmes (Management) Limited, 20 Albert Square, Manchester M2 5PE, or telephone (061-832 9875) for report, job description and application form.

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ARE YOU WINNING IN THE JOB MARKET?

We have a programme that will help you get the right new job FAST. It produces outstanding results for our Clients. Telephone for a free, confidential appointment — or send us your c.v.

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The Professionals in Career Development
London: 01-580 6771, 35-37 Fitzroy St., W1P 5AF.
Bristol: 0272 22367, Maggs House, 78 Queen's Rd., BS8 1QX.
Birmingham: 021-632 5286, 14 Corporation St., B2 4RN.
Manchester: 061-228 0089, Sunley Building, Piccadilly Plaza.

CONTINENTAL BANK

Continental Bank is now pursuing an aggressive programme to enlarge our relationships with major UK and European corporations. These plans are based upon our existing strong market position with UK and European clients, and the demonstrated renewal of our financial strength.

Relationship Managers

Implementation of our business strategy has created some exceptional opportunities for commercial bankers at several levels of experience. Success in managing client relationships with major corporations, familiarity with corporate finance products and a minimum of two years' experience in a large international bank are essential.

Compensation and responsibilities will be highly attractive and will be negotiated according to qualifications and experience.

Please send a C.V. or telephone for further information to Michael Wellin. Continental Illinois National Bank & Trust Company of Chicago, Continental Bank House, 162 Queen Victoria Street, London EC4. Telephone 01-236 7444.

Continental Illinois National Bank and Trust Company of Chicago
In Europe: Athens, Barcelona, Frankfurt, London, Madrid, Milan, Paris, Piraeus, Thessaloniki.

Deputy Chief Executive
Property Group

Yorkshire — **From £20,000 + car**

A well-established but vigorous property development and estate management organisation operating from a head office in Bradford. West Yorkshire with regional offices throughout the North, is seeking a Deputy Chief Executive. The appointment has arisen as a result of consistent expansion under the guidance of an energetic Chief Executive.

The group embodies a range of housing activities including the construction and management of substantial numbers of properties for rental as well as many housing projects built and marketed for sale.

Reporting to the Chief Executive, the Deputy will be responsible, via five departmental heads, for a wide range of administrative functions including finance, internal audit, data processing, secretariat services, estate management, personnel and staff training. Control will also have to be maintained through the regional offices.

The successful candidate will have strong financial, administrative and general management skills acquired in a large and diverse organisation. The ability to adhere to strict procedural requirements whilst retaining a commercial awareness and a creative approach to problem solving is essential.

The person appointed will be able to demonstrate a record of real achievement, will be adaptable and committed and able to foster good staff relations whilst making a meaningful contribution to a worthwhile and exciting organisation.

Applications in writing detailing specific areas of past experience and achievement relevant to the requirements of the post and quoting reference B6408 should be addressed to Valerie Fairbank, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria Street, London EC4V 3PD.

PEAT MARWICK

UK Corporate Banking
£18–20,000+bonus+ benefits

Our client is a well-known international bank which is currently enjoying a period of considerable growth and development. As a result, a professional banker at Manager/Assistant Manager level is sought to join a small team and enhance its product capability and marketing efforts in the UK.

The ideal candidate will be a graduate, aged late 20's and have 4-5 years' experience in merchant or international banking. Sound credit skills and a good knowledge of lending, acceptances and syndications will be required, together with experience of marketing to a variety of UK companies.

Excellent career opportunities are available to the successful candidate and those wishing to apply for this challenging role should contact **Chris Smith on 01-404 5751,** or write to him, enclosing a CV, at Banking & Finance Division, 23 Southampton Place, London WC1A 2BP, quoting ref. 3459.

MP
Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

BIRMINGHAM STOCKBROKERS

wish to make an additional appointment in their research / institutional department covering Midland companies.

The successful candidate will have the appropriate background experience together with the motivation and initiative necessary to make a major contribution to business development.

Full details of career to date, etc., should be forwarded for the attention of the Senior Partner.

Write Box A8891
Financial Times
10 Cannon Street
London EC4P 4BY

Computer Audit Management
Ambitious audit professional

Access, The Joint Credit Card Company Limited, continues its impressive growth rate. Consequently our data processing installations and systems must develop to accommodate the increase in the size of our business.

This creates fresh challenges for our computer audit team to work closely with line management in developing and implementing controls to the automated and manual systems. This is your opportunity to lead a small team who are responsible for ensuring the effectiveness of the controls *over our computer installations, development, operation of* systems and contingency arrangements.

You'll be involved with a major IBM installation, utilising high technology-based data capture facilities.

The successful applicant will report to the Chief Inspector *and will be specialised in computer audit*, a qualified accountant or data processing professional, with some *managerial* experience.

Starting salary in the region of £16,000 pa plus excellent benefits package will reflect the importance of this position including preferential loan facilities, including home loans, and free banking plus relocation assistance where applicable.

Please write giving full details of your career to date to Recruitment Manager, The Joint Credit Card Co. Ltd., 365 Chartwell Square, Southend-on-Sea, Essex SS2 5ST.

Access

—FUND— MANAGER

Credit Suisse First Boston (CSFB), one of the world's leading international merchant banks and issuing houses, is currently building up its institutional investment management business through CSFB Investment Management Limited (CSFBIM), a London based group company which is growing rapidly.

A German-speaking Fund Manager is required for the team of CSFBIM. The candidate should be approximately in the 25-35 year age group, should have fund management or trading experience in fixed income and/or equity *markets and a demonstrable track record.*

Career prospects at CSFBIM are excellent and an attractive salary and benefit package will be made available.

Interested candidates should forward full C.V. to:
Dr. Manfred J. Adami, Managing Director,
CSFB Investment Management Limited,
22 Bishopsgate, London EC2N 4BQ.
Telephone: 283 4200 (CSFB) or 283 5920 (direct).

CSFB

DEALERS

Chief Dealer: Imaginative, with good knowledge spots/forwards all major currencies, combined with strong treasury discipline. £35,000+.

Senior Spots: Must have traded all major currencies with active trading bank. Interest in trading cable book required. £20,000 neg.

Spot Dealer: *Young trader for No. 2 position to* trade \$/DMk in highly active trading room. £15,000+bonus.

Senior Money Market: In-depth and broad-based experience all aspects of market including CDs, FRNs, etc. To c. £30,000.

Arbitrage: Specialist for prime name in Kuwait. Four to five years' experience with active name required. US\$60,000.

General Dealer: All round tading experience coupled with good level of education. Based in Oman. US\$ neg.

THE ROGER PARKER ORGANISATION
4 London Wall Buildings,
Blomfield Street, London, EC2M 5NT
01-588 8161

Trade Finance and A Forfait

Citicorp International Bank Limited is significantly expanding its trade finance services. This development has created immediate opportunities for a senior and a junior marketing officer to join the London Trade Finance Team dealing with A Forfait Finance and other trade-related services.

As a member of a highly professional team based in London you will be involved in all aspects of A Forfait marketing in co-operation with other marketing officers throughout Citibank's international branch and Capital Markets Group network which operates in 95 countries.

For the senior position, you should ideally be in your late twenties/early thirties, and have considerable experience in the A Forfait market but applicants with a proven marketing background in the trade finance area will be considered.

For the junior position, you should be in your mid-twenties and you should have specific technical experience of A Forfait *Finance as you will also be responsible* for processing much of the related documentation.

For both positions an attractive compensation package will fully reflect your experience and qualifications. You will also have significant scope to broaden your merchant banking experience and assume additional responsibilities in our Trade Finance Division.

Please write with full personal details to Hanneke C. Frese, Personnel Officer, Citicorp International Bank Limited, 335 Strand, London WC2 1LS.

CITICORP

المؤسسة العربية المصرفية (ش.م.ب)
ARAB BANKING CORPORATION (B.S.C.)
LICENSED DEPOSIT TAKER

LONDON BRANCH

Due to the expansion of our Foreign Exchange and Money Market Operation we require the following staff to augment our Dealing Team:

SENIOR SPOT FX DEALER
Candidates with a successful track record of trading with major currencies *for 3/4 years in an active environment with an international bank.*

DEPOSIT & FORWARD DEALER
Candidates with 3/4 years' experience, conversant with arbitrage operations, who have traded major currencies for an active international bank.

In the case of both positions, preference will be given to suitable candidates in the 23-29 age group.
Competitive salaries will be offered, together with an excellent benefits package.

Applications in writing, together with a current C.V., to:
The Personnel Officer
ARAB BANKING CORPORATION
6/8 Bishopsgate, London EC2N 4AQ

EQUITY TRADER

To make OTC trading markets in U.K. and European shares for London-based international securities dealer. Experience in U.S. OTC trading or U.K. jobbing firm essential. German language capability an asset. Unusual and highly rewarding opportunity to join fast-growing international financial organisation.

For immediate interview in London, Düsseldorf, Munich, Zurich or Geneva write to:

Box BCM-8466, London WC1V 3XX

Oil and Gas Analyst
London
c. £16,000-22,000

Consolidated Gold Fields PLC, the parent company and Group Headquarters of a leading international natural resource group, has a vacancy for an oil and gas analyst in the Investment Division of its Head Office. The position is a new appointment and the successful applicant will report to the Group Executive in charge of investment valuation.

The candidate will have an initial degree in Geology, Petroleum Engineering or Geophysics and have had three to four years' experience in exploration and drilling activities of an oil company. He/she must also have had some practical experience of the financial analysis and evaluation of exploration and drilling projects. It is unlikely that candidates under the age of 28 years will have the required experience.

The job will mainly be concerned with the analysis and evaluation of prospects for oil or gas drilling in the US and Australia and reporting on progress and results. It will include oversight of the work undertaken by specialist consultants based in the US. Regular travel to the US and less frequently to Australia will be necessary. It will also include responsibility for advising the Group on issues concerning its existing oil industry investments as well as new prospects.

A competitive salary will be negotiated, probably in the range of £16,000-22,000, dependent on experience.

Applicants should write, with brief relevant particulars, to J.A. Scholes, Group Personnel Officer, Consolidated Gold Fields PLC, 49 Moorgate, London EC2R 6BQ. Telephone No: 01-606 1020.

Gold Fields

APPOINTMENTS ADVERTISING APPEAR EVERY THURSDAY

Rate £37.00 per single column centimetre

Corporate Planning Analyst

A promotional route to General Management with
an International Engineering and Transportation Company

We invite applications from candidates who possess a good first degree in a numerate subject and an MBA (or relevant commercial experience) for this demanding position in the small headquarters department based in the City. The work, with high exposure to senior management, is interesting and varied mainly involving special assignments for subsidiary companies or the Main Board. These projects are likely to include development and appraisal of plans, profit improvement exercises, investment proposals, market studies, appraisal of potential acquisitions and other ad hoc studies. Some travel is required and temporary secondment to subsidiary companies may be involved.

Suitable candidates are likely to be in their late twenties. A strong financial emphasis will be looked for and preference will be given to those with a knowledge of the general engineering, contracting or transportation industries. The personal qualities required are self-motivation and the ability to communicate effectively at all levels.

Promotional prospects are excellent. The department is recognized as a source for executive recruitment into the operating divisions. The initial salary is negotiable depending upon experience and the usual large company fringe benefits will apply.

Please write with full curriculum vitae to Andrew Butler, Manager Corporate Planning Department, Mitchell Cotts plc, Cotts House, Camomile Street, London EC3A 7BJ.

MITCHELL COTTS
International Engineering, Transportation and Trading

PRIVATE CLIENTS MARKETING

Bank of America is expanding its private banking activities in Europe and the Middle East and is seeking an experienced professional to market its services to private banking clients. This London based position will involve the marketing and delivery of a wide range of private banking services to a variety of clients, although emphasis will be on investment products to Middle East based clients.

Candidates should demonstrate the following:–

- Proven experience in marketing financial services, particularly to Middle East based clients.
- Personal qualities of self-motivation and strong communication skills.
- Ability to develop effective working relationships with important private clients.
- Working experience with international equities and fixed income portfolios.
- Knowledge of a foreign language, particularly Arabic or Spanish, would be an advantage.

Career development opportunities are excellent and a competitive salary will be augmented by an attractive package of fringe benefits in line with best banking practice.

Write with full personal, career and salary details to Tony Tucker, Area Personnel Manager, Bank of America NT & SA, 25 Cannon Street, London EC4P 4HN.

Bank of America

Move into a dynamic growth environment

When you're looking for the stimulating challenge you need to carry your career up to new heights, *consider it found at Roboserve.* Britain's foremost vending company, we've already found ourselves a reputation for consistent excellence – throughout our wide range of vending machines, catering services and micro-controlled service systems. What's more, our future looks set to consolidate this success, with our business expected to double over the next two years, and our influence spreading worldwide. As part of this growth, we can now offer a *demanding professional the* opportunity to secure your own future as you secure ours.

We're asking you to maximise our existing profit level, *by developing* links between our vending sales and their yield. If you're a pioneer by nature, you'll relish this opportunity to validate a yield analysis system, to produce fast, effective results. Clearly this is a key role within the company, enabling us to build on our already considerable market influence. *The immediate scope for* your development is excellent, and we'll be expecting you to assume eventual responsibility for our *management accounting.*

To develop these new approaches, you'll no doubt be a qualified accountant, in your mid-*thirties, with a conventional* background in the field. Experience of using computerised accounting systems is necessary, as you'll have the responsibility of continuing the development of such a system within the company. You should have sound man-management skills, and the confidence to liaise effectively at senior management level.

If this is the level of challenge you need, consider that, with the support of a generous salary and benefits *package, we'll give you the* opportunity to develop your potential in exactly the environment you're looking for.

***Call Doreen Capper now on* 01-998 2828, *or alternatively send* a detailed C.V. to her at Roboserve Limited, 19 Aintree Road, Perivale, Middlesex UB6 7LG.**

Financial Analysis Manager to £14,000

Roboserve
Automatically a better future

Selling Life Assurance and Pensions requires honesty and integrity.

If you are 30-35 and seeking a change, full support and comprehensive training will be given. This will lead to a rewarding career.

Please phone S. McJannett on 061-832 9644 till 8 p.m.

FUND MANAGEMENT

UK Equities   Overseas Equities

Vacancies exist within the Investment Department in London for positions which will involve both Fund Management and Analytical work in UK and Overseas Equities.

The jobs involve working as a member of a team and therefore the ability to work well alongside others is essential. The successful candidates will either be graduates or professionally qualified with 3 years minimum experience in a financial institution. A good knowledge of the markets concerned is required.

The commencing salary will be dependent upon experience and will be within the range of £15,750-£18,000 per annum.

INVESTMENT ANALYST

UK Equities

The position will require both research and dealing skills in some sections of the UK Equity market. The successful applicant will be expected to have at least 2-3 years experience with a UK financial institution or stockbroker, plus a degree or professional qualification.

The salary range for this post is £12,250-£14,250 per annum, and the commencing salary will be dependent upon the level of previous experience.

In addition to the salary ranges for these appointments an attractive benefits package is offered which includes:

— non-contributory pension scheme
— preferential mortgage scheme.

Applications in writing, together with a curriculum vitae should be submitted to:

A.P. Peggie Esq., Investment Administrator,
Eagle Star Insurance Co. Ltd.,
1 Threadneedle Street, London EC2R 8BE.
Closing date for applications: 11th February, 1985.

Eagle Star

CASH & BANKING MANAGER

UK corporate treasury operations Berkshire

With 1984 UK turnover increasing by 44% to nearly £300 million *— and all the excitement generated by an International force in com*puters and instrumentation — that's the backdrop to the new position of Cash & Banking Manager. You will make a substantial contribution to the efficiency of our UK corporate treasury function, handling the funding, banking relationships and cash management for our rapidly-expanding UK and Irish operations.

Your key objectives will include the development of relationships with banks and financial institutions to provide required levels of funding, the maintenance of efficient cash control systems within the treasury and operating entities and the provision of accurate cash forecasting systems. Participation in the implementation of advanced, computerised cash management systems on a European basis will also be involved.

Ideally, candidates should be qualified to degree-level and have at least 3 years' treasury or corporate banking experience, preferably gained in a multinational environment and with a high-technology company. Previous experience of computerised systems would be a significant advantage.

The starting salary of around £18,000 is backed by a substantial *benefits package, including twice-yearly profit sharing, share-purchase* scheme, discounted BUPA and much more. Relocation assistance will be provided if appropriate.

To apply, either ring for more information and an application *form, or write enclosing your full cv to Charlie Reames Hewlett-Packard* Limited, Nine Mile Ride, Wokingham, Berkshire RG11 3LL. Tel: (0344) 773100.

Hewlett-Packard is an equal opportunity employer.

HEWLETT PACKARD

Credit Management

Citibank Savings, a well-known subsidiary of one of the world's largest banks, provides a range of innovative consumer based financial products including hire purchase, personal loans, mortgages, insurance and retail credit cards. We are constantly seeking to consolidate our existing interests whilst still setting aggressive targets for the future.

DEALER CREDIT MANAGER

Located at our Head Office in Hammersmith, this is a key and senior position requiring outstanding communication ability and an energetic approach to professional credit management. Reporting directly to the Dealer Portfolio Manager, your main responsibilities will be in the important areas of consumer lending and the effective management of loans to our indirect network. You will also be instrumental in structuring and presenting credit proposals and products for approval.

Experience of dealer lending, probably with a finance house, and an understanding of the motor trade will be advantageous but not exclusive requirements as this is a broadly based position offering involvement in a *comprehensive range of consumer credit portfolios.*

We offer an excellent negotiable salary and a complete package of benefits including a generous mortgage subsidy, non-contributory pension, private medical care and permanent health insurance.

Please write with full career details and an indication of your current earnings, to Nigel Rogers, Personnel Manager, Citibank Savings, 1 Hammersmith Grove, London W6.

Citibank Savings

Investment Banking

RESEARCH ANALYSTS

We have been approached to find bright, young candidates with some good experience in research in either Banking, Stockbroking or Fund Management.

The positions to be filled are Research Analysts in both Fund Management — equity and fixed interest and International Corporate Finance.

Applicants should have a good degree, possibly in Economics; a second European language would be an advantage. Our Client is first rate, we are looking for first rate candidates.

For further details please write or telephone

Rochester Recruitment Ltd., 21 College Hill, London EC4R 2RP
Telephone: 01-248 8346

Investment Manager ACA/MBA

c. £20,000 + options + benefits   Cardiff/London

The Welsh Development Agency is sponsoring Welsh Venture Capital Fund with an initial capital of £5.6 million.

We are looking for an experienced executive to be the *full-time manager of this Fund.*

Reporting to the Board of the Management Company, you will be the prime person responsible for the management and administration of the Fund, besides taking an active part in the screening, appraising and selection of investments and for *the on-going monitoring of the* investment portfolio.

Aged 28–35, you will preferably be a graduate qualified accountant and/or MBA with an in-depth exposure to investigations, planning and analysis ideally gained in a variety of industrial/commercial environments. Your energy, *self-motivation* and ambition will be met by the challenge and opportunity of working for a newly-created entrepreneurial venture fund with exciting prospects.

Apply in writing enclosing a full curriculum vitae to:

Mr Frank Jackson, Director, *Welsh Development Capital* (Management) Ltd., Pearl House, Greyfriars Road, Cardiff CF1 3XX.

WELSH DEVELOPMENT CAPITAL
(MANAGEMENT) LIMITED

INSTITUTIONAL SALES AND MARKET MAKING

As the most experienced search company in the financial service sector, we are now being consulted by a number of the leading contenders in this rapidly changing market.

Our forward thinking clients are in a position where they wish to identify and recruit the senior executives which they will need in the development of their business in the new market place.

We are seeking to talk, on a confidential basis with ambitious and suitably qualified people in the area of sales, sales management and jobbing management who are concerned to be in the right position, in the right organisation, in the new market.

Please write or telephone
Somerset Gibbs   Vere Fane   Keith Whitten

Directorship Appointments Limited
7 Cavendish Square, London W1M 9HA. Tel: 01-637 2171

INTERNATIONAL CAPITAL MARKETS

ASSOCIATE DIRECTOR EUROBOND SALES

The London-based merchant banking subsidiary of one of the world's top two dozen banks is embarking upon the expansion and development of its existing operations and has a position open for an experienced professional to head up the securities sales side of its capital markets activities.

The ideal candidate will most likely be aged 25-35, will have a degree (or equivalent), will be thoroughly conversant with the international securities, banking and financial markets and will be currently on the sales/trading desk of an active international investment/merchant bank or securities firm.

A highly competitive compensation package, including normal banking benefits, is offered commensurate with the importance of the position and the age and experience of the individual.

Please write in confidence, enclosing a full C.V., to:–

Box No. A8885, The Financial Times,
10 Cannon Street, London EC4P 4BY

Managing Director

Engineering Company

Bristol   **c £28,000 +car etc**

Due to reorganisation and promotion, our client, a medium engineering company with *its own product range wishes to appoint a new managing* director.

Aged 35-42, he/she must have a mechanical engineering degree complemented by a recognised financial qualification (which could be MBA) *and a successful track record as a line manager in this environment.* He/she will lead a talented team of dedicated young managers/associate directors and a superb workforce which are already taking off again after the recession.

Please write with* c.v. *in complete confidence to A. Higson quoting H2010.

Higson Ping Ltd./Executive Recruitment Consultants.
110 Jermyn Street, London SW1Y 6HB. Telephone: 01-930 4196

HIGSON PING

TURNING POINT

If you have recently discovered that you have a lot more left in life to achieve than your present situation allows, you have reached a turning point. A completely fresh career direction leading to greater personal success and a much higher income is probably what you need now. A sales career in financial services could give you all that and more. If you are over 25 and can work from a Central London base you could be the type of person we are looking for. Telephone me before 6.00 pm and I will tell you how we can turn potential into success.

ALLIED HAMBRO

William Daysh
Allied Hambro Financial Management
01-379 6201

Morgan Grenfell & CO. LIMITED.

Scandinavian Executive

Morgan Grenfell & Co. Limited wishes to recruit an Executive responsible for developing and executing business in Scandinavia, with particular responsibility for Finland.

The successful candidate is likely to be Finnish with a fluent knowledge of English and a working knowledge of other Scandinavian languages. He/she will have gained experience in a merchant bank or the financial analyst's department of a stockbroker and have acquired a thorough knowledge of the working of the Scandinavian stockmarkets.

Remuneration for this position will be based on experience and benefits will include a preferential mortgage scheme and non-contributory pension.

Applications including brief details of career to date should be sent to:

Helen Rigby, Personnel Officer
Morgan Grenfell & Co. Limited
23 Great Winchester Street
London EC2P 2AX

Credit Manager M/F
Finance House

British Credit Trust is now seeking to strengthen its Slough based Head Office Credit Department by the appointment of an experienced Credit Manager.

The appointment arises as the natural result of the Company's impressive growth and expansion. It provides a challenging opportunity for the successful candidate to develop their career in a soundly based and growing Finance House.

The successful applicant is likely to be in his or her late twenties/early thirties with relevant banking and or Finance House diploma qualification. Previous underwriting and credit assessment experience is essential, preferably within an established Finance House Credit function.

A highly attractive benefit package including Company car, preferential mortgage and loan schemes, non-contributory Pension and Life Assurance and private health scheme is offered.

Telephone or write with full c.v. for an application form to:–

**The Personnel Department,
British Credit Trust Limited,
British Credit House, High Street,
Slough SL1 1ED. Tel: 0753 73211**

British Credit Trust Ltd

A Bank of Ireland Company

Economic Analyst - Energy

An opportunity has arisen in the Planning team of Shell U.K. Limited for a graduate who has a knowledge of applied economics.

The Planning team is responsible for analysing the U.K. economic scene and for identifying economic trends and developments in particular those relating to Energy Demand and Supply.

The successful candidate will have experience in and a proven affinity with politico-economic and societal matters and will have the ability to communicate articulately and lucidly on these matters.

The appointment is likely to be for a period of 2-3 years.

Starting salary will be dependent upon experience and this post offers an annual contract premium. Benefits include London Allowance and five weeks holiday.

Please write for an application form quoting reference 5/2 to:

SHELL U.K. LIMITED,
UKPCD/45,
Shell-Mex House,
Strand,
London WC2R 0DX

Completed application forms must be returned by 15th February 1985.

Shell

International Banking Consultants

West London **c.£30,000 plus car**

Our client has the largest commercially available computer services network in the world and supports all major industries.

The International Banking Marketing and Support Group based in London is responsible for providing product development and technical support in the international banking environment. Their clients are the leading banks worldwide. Their services, based on their networks, provide a diverse range of banking systems, from front line customer services to internal control systems.

To provide for increasing demands made on the international support group they now seek highly talented people with banking system design and implementation experience to assist with the development of current and future products and to provide banking support in the client environment. Applicants will ideally have a minimum of five years international banking or customer services system experience, with emphasis on foreign exchange, exposure management, EFT and cash management. The ability to communicate at all levels in the client environment is essential, and we are not discussing linguistic skills here, although they could be useful. Significant short term international travel is involved in these positions.

Applicants are invited to write, quoting Ref: M1982, giving full career details to John Stirling.

Roland Orr & Partners
Management Consultants
35 Piccadilly, London W1V 9PB Telephone 01-734 7282

Financial Computer Systems

Senior Sales Executive
High Basic Salary (£30K OTE) plus car

As specialists in designing systems software for the financial community within the City, our clients have established themselves as leaders in their field. Their vertical markets include stockbroking, commodity broking, investment management, securities, banking and insurance.

Their success and continued growth has been built upon a detailed knowledge of their clients needs and their own sophisticated systems development. This is a company that combines the rare ingredients of technical innovation with sales and marketing flair.

To increase their sales effort they now wish to appoint a Senior Sales Executive to join their small and highly professional sales team. You will be negotiating and selling at Senior Management/Board level, systems of the highest pedigree. In return you should be able to convince us of a successful computer systems sales record in our client's marketplace, and that you also possess the winning combination of sales/marketing skills with a strong understanding of financial systems.

The prospects are excellent – For further information contact John Diboll on 01-734 9723 or Woking (04862) 22690 evenings and weekends or write to him at the address below.

CTR Computer Technology Recruitment Limited
(Sales and Marketing Division)
Triumph House, 189 Regent Street London W1R 7WD

Assistant Manager
export finance

THE BANK OF NOVA SCOTIA is a major Canadian bank involved in a varied range of banking activities in 52 countries. Following a major reorganisation of the Bank's Trade Finance activities worldwide we now seek to recruit an Assistant Manager - Export Finance for our Regional Office export finance team in London.

The successful candidate, who should have at least 3 years' relevant experience will be expected to play an active part in developing and expanding the Bank's involvement in this area of its activities. He or she will need to have experience of ECGD related lending, from initial marketing through to the closing of transactions and additionally have had experience of other European export credit schemes, especially those of Italy and Spain.

Self motivation and the ability to develop and sell new ideas both inside and outside of the Bank with the minimum of supervision will be major requirements.

Excellent opportunities exist for career development with this large international institution.

Salary and benefits will be in line with those provided by major international banks.

CV's should be sent to Mr J Hardisty, Manager – Personnel Europe, Middle East and Africa Region, at the Bank of Nova Scotia, Scotia House, 33 Finsbury Square, London EC2A 1BB. Tel: 01-638 5644.

Scotiabank
THE BANK OF NOVA SCOTIA

UK TREASURY MANAGER

LONDON WEST END **£20,000 + CAR**

Associated Communications Corporation plc is a wholly-owned subsidiary of The Bell Group Ltd of Perth, Western Australia. The Corporation has a number of subsidiaries' in the entertainment industry and in property and insurance. Last year's pre-tax profits were over £25m. There are plans for significant growth over the next few years.

A vacancy has arisen for a Group Treasury Manager who will report to The Group Treasurer and be responsible, inter alia, for the short-term borrowing/deposit portfolio, the foreign exchange position, and will assist in negotiating medium-term and project finance when required.

Applicants should have had experience in international banking or have served in the Treasury Department of an International Company. Exposure to senior management will necessitate good communicative skills and a mature personality. With commitment and drive the opportunities to progress career development within the Worldwide Group are promising. An attractive benefits package will include a company car.

Candidates, who should be in the age range 30-35, should write in confidence to:

Mr D. S. Williams
ASSOCIATED COMMUNICATIONS CORPORATION PLC
17 Great Cumberland Place, London W1A 1AG
enclosing a comprehensive curriculum vitae

FINANCIAL CONSULTANCY
IS A GROWTH AREA OF THE MOMENT AND OF THE FUTURE — DON'T MISS OUT!

FPS (Management) Ltd. is a leading firm of financial consultants and because of phenomenal expansion in 1984 is looking for five outstanding individuals to complement its London-based team of professionals.

The right individuals (aged 23+ and based in London) will be intelligent and energetic, highly motivated, hard-working and able to absorb new ideas quickly.

Full training will be provided.

Remuneration expected to be in excess of £15,000 first year.

This is a superb opportunity to develop your own business and career path in a growing company and in an exciting industry.

**For further details phone 01-240 2184
between 9.30 a.m. and 4.30 p.m.
Speak to FIONA PRICE**

BARING FAR EAST SECURITIES
EUROBOND TEAM

In order to complement our existing business in Japanese equities, we are seeking to recruit a group comprising both sales executives and traders. Applicants must be experienced in the Eurodollar convertible market, although not necessarily in Japanese issues.

This is an important development for the company and the remuneration offered will reflect this.

Please reply in strictest confidence to:

**The Managing Director
BARING FAR EAST SECURITIES LIMITED
Holland House
1-4 Bury Street
London EC3A 5DY**

CUSTOMER ACCOUNTING MANAGER

Sussex **c.£15,000 + excellent benefits**

Part of a worldwide group, our client has a UK turnover in excess of £70 million and provides a wide range of specialist environmental and property care services.

With a direct responsibility for some 130 staff, this new senior appointment provides a unique opportunity for an ambitious Credit Manager with a high level of management/organisational expertise and a capability of developing systems and procedures appropriate to a results orientated and expanding environment.

In addition, it will provide personal challenge and development for an individual aged between 30–40 years with a personality beneficial to the Company's prestigious image. Applicants should be able to demonstrate at least five years experience in effectively managing a large credit function within a competitive marketing orientated environment, together with the necessary vigour and determination to suceed.

**In the first instance, write in the strictest confidence stating how the above requirements are met and enclosing a detailed curriculum vitae to:-
Michael D. Bird, Resource Evaluation Limited,
35 Berkeley Square, London, W1.
Telephone: 01-409 3075.**

REL RESOURCE EVALUATION LIMITED

BRANCH MANAGER
COMMERCIAL BANK

A medium-sized Spanish bank is seeking a professional with a proven track record to manage its London Branch, opening shortly.

The candidate should have experience in a post of similar responsibility and possess appropriate qualifications.

A good knowledge of operational procedures, commercial banking, and an ability to coordinate and supervise teams of staff, are essential prerequisites.

An excellent knowledge of both written and spoken Spanish is also indispensable.

Remuneration will be on a par with qualifications and will reflect the importance of the appointment.

All applications will be dealt with in the strictest confidence.

Handwritten C.V's together with a recent photograph should be sent to:

*Box A8881, Financial Times
10 Cannon Street, London EC4P 4BY*

STOCKBROKERS
CAMBRIDGE

Due to continuing expansion of our Cambridge office we seek an additional Stock Exchange Member or Executive with experience of looking after Private Clients. You would join a happy, well-motivated and successful professional team in the heart of this delightful city.

Please write in strictest confidence, giving full details, to:

D. H. S. Howard
CHARLES STANLEY & CO.
18 Finsbury Circus, London EC2M 7BL
CHARLES STANLEY & CO.—Serving East Anglia

asb recruitment 01-248 0820

LENDING OFFICER (UK) 27-32 years. Graduate with 4-5 years experience and excellent knowledge of the London market. Experience of UK corporates, acceptances, syndications, credit analysis. To take an active part in the development of new business. c£18,000 p.a.

LOANS ADMINISTRATOR for prime bank. Senior position in large department for someone with 3 years + experience and the ability to supervise. 24 years + £10,500 p.a.

CREDIT ANALYST 25-32 years. Excellent opportunity for someone with good credit analysis experience and a knowledge of German. £12,000 +

SENIOR ACCOUNTS CLERK to assist Chief Accountant of European bank. Duties will include Bank of England returns, month end reporting and day-to-day accounting. A self-starter used to working with the minimum of supervision. £12,000 +

ACCOUNTANT A.C.C.A. or similar with 1-2 years experience not necessarily gained in a bank. To assist the Chief Accountant of small international bank and look after the day-to-day running of the department. Mid-twenties. c£12,000 p.a.

For further information please telephone Shelagh Arnell

Head Office:
Angel House, 52-54 Carter Lane EC4V 5AS

UNIVERSITY OF BRADFORD
LECTURESHIPS
at the Project Planning Centre for Developing Countries

The Centre runs — in Bradford and abroad — specialised post-experience courses in project planning for specific sectors for personnel from developing countries: conducts a taught MSc in National Development and Project Planning: and undertakes training, research, advisory and institutional development assignments overseas. The Centre is particularly interested in applications from persons who can contribute in the following areas: Industrialisation and Industrial Project Planning; Development Finance/Financial Planning and Control; and Infrastructure Projects (in areas such as Energy/Power; Water Supply/Sanitation; Transportation). The persons appointed will have relevant experience of operational work overseas, and of teaching. The appointments, which are full-time, may be made either to five year fixed term posts or to a permanent post. Salary on scale £7,520-£14,925 pa. Superannuable. Application forms and further particulars from the Deputy Secretary (Ref: PPC/L 4/FT), University of Bradford, West Yorkshire BD7 1DP. Closing date [illegible]

Appointments Wanted

PRECIOUS METALS and COMMODITY TRADING and PORTFOLIO MANAGER

Seeks challenging appointment overseas. Many years of experience in Middle East and Europe.

Box A8887, Financial Times
10 Cannon Street, London EC4P 4BY

TREASURY EXECUTIVE Aged 28 HIGH TECHNOLOGY COMPANY

Graduate Law & Economics. Good all round experience of treasury products & services. Seeks interesting role in financial services.

Box A8888, Financial Times
10 Cannon Street, London EC4P 4BY

SALES EXECUTIVE
REQUIRED BY SPECIALITY BROKERAGE FIRM
£20,000 + LIBERAL BONUS INCENTIVE

Powell GRC Limited, brokers specialising in the fast growing business of soft dollar commission and third party research with established prestige clientele in the U.K. and Europe, seeks qualified salesperson from the brokerage/banking/financial services industry to work closely with the Managing Director in expanding client base and products. Potential to increase substantially base salary. Trading on the New York Stock Exchange.

Please reply in writing with full details of experience. No phone enquiries please.

Powell GRC Limited 16 Hanover Square London W1R 9AJ

SENIOR EXECUTIVE
WORLDWIDE

This is an offer to join an expanding international group whose attitude to success does not acknowledge recessions or "deteriorating economic conditions." We intend recruiting a seasoned business-person with the ability to work with and contribute to a small and highly entrepreneurial team. Extensive travel and re-location is a definite factor as is the ability to get the job done regardless of adversity. The remuneration package will reflect the success and the contribution which will be made. These terms will be outstanding. An immediate start is planned.

Write Box A8883, Financial Times, 10 Cannon Street London EC4P 4BY

Business Planner

A challenging opportunity has arisen for an ambitious and highly motivated young graduate to develop the planning function in the U.K. subsidiary of an international health care company.

Reporting to the Company Secretary, specific responsibilities will include initiating and co-ordinating the company's various planning activities and participating in future strategic developments and new project assignments.

The successful candidate will be in his/her mid 20's and should be able to demonstrate a high level of academic achievement (Economics or Business Studies degree) with proven practical experience and advantage.

Excellent conditions of employment are offered including the usual major company benefits.

Please apply in writing with full c.v. to Miss L. White, Personnel Officer, Sanofi U.K. Ltd., Floats Road, Wythenshawe, Manchester. M23 9NF.

sanofi

هكذا من الاصل

Accountancy Appointments

Three major producers are fighting a price war in a fast-moving market. Your client is also in this market, but cannot afford to reduce margins further.

CAN YOU ADVISE?

If you're an accountant, an MBA or a business economist, and this is the sort of problem you like solving, you'd probably enjoy being a management consultant. And if you've got at least 5 years commercial or industrial experience, drive and *ambition*, we'd like you to consider being one with us.

You will be based in London and we'll *pay you up to* £26,000 plus a car. Perhaps more important we'll give you an outstanding opportunity to broaden your experience; with our training and the support you will get from more experienced colleagues you'll be surprised at the variety of work you can tackle.

We'll also give you an exceptional chance to progress further up the ladder. We believe we stand apart from most large firms in the openness of our structure and the speed with which we reward merit. The road to a partnership could be a lot *shorter than you think.*

If you'd like to know more, first tell us a little about yourself. Send details of your career to date and salary history to Michael Hurton at the address below, quoting reference 2249.

Touche Ross & Co.

The Business Partners

Hill House 1 Little New Street London EC4A 3TR
Telephone: 01-353 8011

Financial Controller

£16,000+Car
S.Wales

This is a full financial controllership in an autonomous subsidiary of an international Group which is a market leader in high volume light engineering products.

The Controller will be a key member of the management team and will work very closely with the General Manager and other key executives in the forward planning and daily control of the business in addition to establishing high standards and sound systems of financial control, reporting and accounting.

Applicants should be qualified accountants with relevant industrial experience in a management accounting or controller position. Experience in a multinational Group would be an advantage. Age guideline 28-40.

Please apply in confidence, quoting ref. L155/FT, to:

Brian H Mason
Mason & Nurse Associates
1 Lancaster Place
Strand
London WC2E 7EB
Tel: 01-240 7805

Mason & Nurse
Selection & Search

Senior Accountant
Financial Services Group

Kent **c.£25,000**

Our client, a substantial and well established financial institution with a fine reputation in the Pension and Life Assurance sector of the market, has achieved rapid growth in recent years, and plans to continue to expand further. The resultant re-structuring of financial management and an analysis of future accounting requirements has identified an excellent career opportunity for an able accountant with specialist skills.

The successful candidate will join the finance team at a senior level. Initially the task will be to appraise systems, which are heavily computer orientated, and to develop a longer term strategy for their enhancement. Subsequently other opportunities for career development within the group will become available.

Applicants should preferably be graduate chartered accountants in their late 20's to early 30's with good systems experience which should preferably have been gained within a large financial institution. There are excellent progression prospects for those with personal qualities of a high order and the remuneration package includes a range of benefits appropriate to a large financial institution.

Please write in confidence with brief career details quoting reference 3301, to J. W. Hills, Executive Selection Division, Peat Marwick Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT MARWICK

ACCOUNTANCY APPOINTMENTS
Appear every Thursday
Rate £37.00 Per Single Column Centimetre

Finance Director

Rural Midlands **£20,000+car+bonus**

Our client, part of a large UK plc specialising in commodity merchandising, is a £40 million turnover division of a major consumer goods subsidiary. Reporting to the Managing Director, a Finance Director is required to plan and control operational efficiency and contribute on a broad front to the overall commercial direction of the company.

Candidates will be qualified accountants and be able to demonstrate good accounting/technical skills, with particular emphasis on management accounts, and product costs. Previous exposure to business analysis, systems design and micro computer applications, should have been gained ideally in a commodity based environment. Maturity, creativity and a high level of professionalism are essential in order to maintain effective inter company relations as well as making a substantial contribution to corporate development.

Prospects for promotion are excellent and the successful candidate can expect an attractive remuneration package, including relocation expenses where appropriate.

Applicants should write to Nigel Hopkins FCA, Executive Division, enclosing a comprehensive curriculum vitae, quoting ref. 207, at 31 Southampton Row, London WC1B 5HY.

MP
Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

EMA

Operations Audit
Banking

£20,000 + Bonus + Subsidised Mortgage

A highly prestigious merchant bank, our client is currently strengthening its audit function. With responsibilities covering operations in the U.K. and involving some travel in the Far East, the audit function provides an ideal introduction to the bank and its activities.

Joining as Deputy to the newly appointed Manager, the successful applicant will assist in the identification of objectives and determination of projects and their control. With an emphasis on commercial review the projects will provide continual exposure to senior management. Career opportunities will exist in all areas of the bank.

Aged 28-35, applicants (male or female) should be graduate chartered accountants with managerial *experience gained in a major professional practice. Please write, enclosing a career/salary history* and day-time telephone number to David Hogg FCA, quoting reference I/2271.

EMA Management Personnel ltd.
Halton House, 20/23 Holborn, London EC1N 2JD
Telephone: 01-242 7773 (24 hour).

Finance Director

c.£35,000 plus car
Yorkshire

A chartered accountant, aged 32-37, is required to join the board of a private group with a current turnover of £25m and planned substantial increases during the next two years. The group has expanded rapidly with an enviable profit record, and expects a full stock market flotation in due course.

The post requires the personal qualities necessary at board level, together with the technical skills essential to formulate financial policy, exercise tight controls, and ensure that financial systems are of public company standard. The brief also includes responsibility for close liaison with the company's bankers and external taxation, legal and insurance advisers.

Candidates must have had experience in a distribution and manufacturing organisation — preferably consumer products — and ideally will currently be employed as the finance director of a substantial and successful subsidiary of a large publicly quoted group or in a senior financial management post in a large company.

Please write in strict confidence with personal and career details, quoting ref. 1212/FT to:

Philip Smith
Manpower Consultants
85-87 Jermyn Street, London SW1Y 6JD

The No 1 number for TEMPORARY ACCOUNTANTS
248 7856
ACCOUNTANCY CONTRACTS

Reed Telepublishing Limited

Finance Director

Reed Telepublishing was established on 1 April, 1984, as a separate operating division. Its role is to coordinate and develop—through organic growth and acquisition—new publishing ventures using data processing and communications technologies. Although based in the UK and USA its markets are becoming increasingly international, and this together with the growing complexity of the operation dictates the appointment of a Finance Director who is sufficiently broadly based to make a major contribution to commercial policy.

The new Finance Director, who will be based in Dunstable, will report to the Chief Executive of Reed Telepublishing. He will be expected to contribute directly to the profitable short and long term development of the group, and the efficient management of the financial and commercial aspects of the business. The main areas of responsibility include the establishment of a decentralised accounting service coupled with appropriate management information systems; participating in an active acquisition programme; and taking personal responsibility for a variety of central administrative functions. It is unlikely that anyone under the age of 35 will have the requisite experience. All applicants will be expected to demonstrate an ability to keep up-to-date in an industry where the rules are few and the pace is hectic. Formal financial qualifications are mandatory and a track record either in publishing or a high tech industry will be looked for. The growth record is impressive and career prospects are first class.

In the first instance a typed CV should be sent to:
Mrs A M Stonehouse
Room 1723
Reed Telepublishing Limited
Quadrant House, The Quadrant
Sutton, Surrey, SM2 5AS.

A Reed International Company

Young, ambitious Accountant

ACMA+3 years **c.£17,000+car**

A highly profitable, £30m market leader in the field of speciality chemicals, our Berkshire-based client is entering a crucial phase of business development. To ensure that their strategic and commercial objectives are achieved, they require a young, high calibre accountant able to make an early contribution to the Company's overall business performance.

Reporting to the Financial Controller, you'll head up a small accounting team and take responsibility for the development of computer-based systems and management reporting procedures. Liaising closely with all levels of management and the US parent company, you must also be able to provide quick response to the needs of the business as a whole.

To succeed, you'll be a Graduate, ACMA qualified with 2/3 years sound experience in a commercial environment. Whilst commercial and management skills are essential, you must also be able to quickly establish yourself in what is a progressive, very demanding environment.

To apply, send a brief CV, stating contact *telephone number to Robert Smith at:*
Macmillan Davies Confidential Reply Service, The Old Vaults, Parliament Square, Hertford, Herts. SG14 1PU.

Macmillan Davies
Personnel Consultants

STEEL BURRILL JONES GROUP PLC

QUALIFIED ACCOUNTANT

Up to £20,000

Established eight years as a specialist Lloyd's reinsurance broker, Steel Burrill Jones has recently obtained a listing on the USM.

We are now looking for a well-qualified young accountant aged up to 32 to grow with the company. The duties will include company secretarial practice (including supervision of subsidiaries), investigations for possible acquisitions and developing executive roles with existing management.

Necessary qualties are ability to get on with non-financial colleagues, familiarity with computers, vision, enterprise and a sense of humour.

This challenging position carries an attractive remuneration package.

Please apply, enclosing full details, to:

G. R. W. Prevost, Steel Burrill Jones
Bankside House, 107/112 Leadenhall Street, London EC3A 4AP

FINANCIAL CONTROLLER

Midlands c. £16K

A commercially minded, self-motivated Accountant (ACA) is required as Financial Controller of two of the Group's companies (t/o £2.5M) which are entering a period of expansion. Emphasis will be upon strict cash management, monthly accounts to tight deadlines and routine supervision of personnel.

The accounting function is already computerised but a major programme has been started to computerise production control and costing.

The individual appointed will play an important role in the implementation of this programme and the updating of manual control procedures. A feature of this position will be ad hoc Group assignments.

Please apply to: J. L. Phillips FCA, Bluemel Bros, p.l.c., Wolston, Coventry CV8 3FU, enclosing full c.v.

Wardley London Limited

YOUNG AMBITIOUS A.C.A.

City Bank **Package to £18,000**

member: HongkongBank group

Our client, Wardley London Ltd., is the expanding U.K. Merchant Banking arm and wholly owned subsidiary of the Hong Kong & Shanghai Banking Corporation. Main activities are within the areas of Corporate and Export Finance, Lending, Property Services and Capital and Money Markets.

As part of their significant expansion programme they are now seeking to strengthen their financial reporting system by the appointment of a high calibre Accountant.

Your principal responsibilities will be the implementation and continued development of *departmental management reporting systems, management accounting/reporting* and analysis.

You will probably be aged 24-29 and have recently qualified with a major firm in the profession, have good interpersonal skills together with the initiative, energy and enthusiasm to accelerate your career development within this entrepreneurial organisation.

Salary is negotiable to £15,000 plus banking benefits to provide a package of up to £18,000.

For further information please ring or write to Susan Ross.

FIRTH ROSS MARTIN ASSOCIATES, WARDGATE HOUSE, 59A LONDON WALL, LONDON EC2M 5TP TELEPHONE 01-628 2441

Firth Ross Martin

24

Accountancy Appointments

Financial Controller

Newly established UK company

This highly successful multinational company specialises in the development, manufacturing and marketing of electronic precision equipment and is a wholly owned subsidiary of a major diversified group. The company, which is a world market leader, has recently established a UK marketing subsidiary based in South Buckinghamshire.

Reporting to the UK General Manager, the financial controller will be responsible for setting up and managing the accounting, computer and administration functions. As part of the management team for this newly established company, responsibilities would also entail general advice and control of the business and its development.

The requirement is for a qualified accountant, aged around 30-35, with significant experience of up to date accounting methods and computer systems. Familiarity with international companies is sought coupled with strong management and commercial skills.

Remuneration: around £20,000, plus car and other benefits.

Please write in confidence to Maureen K Mallozzi (Ref 2411).

TML KMG
Thomson McLintock Associates 70 Finsbury Pavement London EC2A 1SX

Audit Director

to £21,500 + car London base

Keeping finances on firm foundations

The Housing Corporation is a progressive organisation with responsibility for promoting, funding and supervising registered housing associations, working closely with them to provide homes for people in need.

With an annual expenditure of over £700m, accurate and penetrating audit is essential to our financial well being, and we have our own high calibre audit team to monitor money movements in liaison with, but quite independent from, our external auditors.

Reporting directly to the Chief Executive, this is one of the most senior and influential positions within the Corporation. The main task is to develop, implement and manage a comprehensive internal audit of all Corporation activities in England, Scotland and Wales. This will include both Financial and Management audits, and value-for-money reviews. We make extensive use of computers, so systems audit forms a substantial part of our audit coverage plan.

The high level of challenge and responsibility dictates that the successful candidate will be a fully qualified accountant and member of one of the professional bodies. Experience in the housing or other public sector is not necessary but you must have proven audit management experience and good knowledge of current DP procedures.

An attractive benefits package includes an index-linked pension plan.

To express your interest, please write including concise CV to Roland Bee, Personnel Services Manager, The Housing Corporation, 149 Tottenham Court Road, London W1P 0BN by February 14th 1985.

HC The Housing Corporation

Group Chief Accountant

Home Counties c£30,000+car+options

Our client is a major UK public company with a turnover in excess of £2 billion. Operating in a high volume service industry, it is amongst the market leaders in its field and is in the process of a major programme of development designed to enhance its eminent position.

As part of this development process, a reorganisation of the accounting function has led to the need to appoint a high calibre Group Chief Accountant. Reporting to a Main Board Director, the successful candidate will be responsible for ensuring the provision of an effective financial accounting service, including treasury management, and will have as a key priority the management of the implementation of a major programme of computerisation.

Candidates, ideally in their mid 30's, must be qualified accountants with an impressive career profile to date which should include experience in managing a well developed financial accounting function within a major company. The ability to manage change and to motivate, direct and control significant numbers of staff will be key attributes.

A remuneration package which reflects the importance of this position will be negotiated with the successful candidate and it can be anticipated that positive career development opportunities will occur in this successful organisation.

Please write in confidence
with a full CV to Gavin Adam,
Executive Selection Division,
Price Waterhouse Associates,
Southwark Towers, 32 London Bridge
Street, London SE1 9SY.
Please quote reference MCS/4017.

Price Waterhouse
Business Needs Experts.

Financial Management

New appointments that are as important to our future as they are to yours

The basic dimensions of IAL's business make impressive reading. Turnover is more than £150M, it operates in more than 35 countries; it employs more than 4500 highly qualified people. But it's the *nature* of IAL's business that makes the organisation so challenging and interesting to an ambitious accountant. Because IAL is involved in a range of both service and manufacturing activities that is unusual, if not unique.

We provide air traffic control, emergency, security and management services for international airports in many parts of the world. We also manufacture high-technology communications and security systems for airports and many other applications. We train technical and other staff for overseas governments. We recruit staff for major hospitals in Saudi Arabia and the Middle East from junior technicians to senior medical consultants. We are also concerned with the management of hospitals. But through all our activities there run two common threads — a high rate of technological development and a financial performance that more than keeps pace with that development.

We're poised to make an even more concerted assault on our many geographical and business sector markets. But before we do, we need to appoint a number of capable, commercially aware accountants to strengthen still further the level of support we give all our operating business units, and to provide even more efficient, responsive control of a business whose range and pace is growing the whole time.

Our specific requirements are various and ideal for men and women with three to ten years professional, commercial or industrial experience, to make a personal contribution within a dynamic business operation. The most senior appointments will involve personal responsibility for the monitoring and control of substantial business units.

We're naturally looking for an accountancy qualification, preferably ACA, preceded by a degree or HNC.

Salary levels are designed to attract people not only with the ability to handle these initial roles, but to become key members of our financial management team. The benefits package contains all the features you would associate with an employer who is part of one of Britain's most successful and forward-thinking organisations.

Please write with your cv to the Recruitment Executive quoting Ref. K219.

IAL **The possibilities are endless**
Aeradio House, Hayes Road,
Southall, Middx UB2 5NJ. Tel: 01-574 5134.
A MEMBER OF THE STANDARD TELEPHONES AND CABLES PLC GROUP

Argyll Stores Ltd., a member of the Argyll Foods Group, and one of the UK's leading food retailers with annual sales in excess of £1.5 billion, wish to appoint an

Internal Audit Manager

c.£14,000 + Car Middlesex

This is an excellent opportunity for a young, ambitious professional to take responsibility for the review of all financial and operating systems at our Head Office in Hayes, Middlesex and at our other retail companies in the North West of the country.

You will also have an audit responsibility for the Regional Offices and major Distribution Centres in the South of England.

These responsibilities will involve negotiating with Senior Management on the results of your reviews, so effective analytical and communication skills are essential.

As all our companies operate complex and sophisticated computer systems you must also have some relevant practical experience.

Ideally you should be a 25-28 year old ACA or ACCA who has had a couple of years' post qualification experience either in a major firm of accountants or a large commercial company.

This is a challenging appointment offering the successful candidate the chance to gain broad, valuable experience as a basis for building a substantial career within the Argyll Group.

In addition to a salary of around £14,000 plus a company car, we offer a wide range of other benefits associated with a large, successful organisation.

Please write stating full details of education and career to date to:
Mr. M. I. Phillips,
Director of Management Development,
Argyll Stores Limited, Argyll House,
Millington Road, Hayes, Middlesex.

Hoggett Bowers

Executive Search and Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD

Finance Director

High Technology Equipment
North East, c.£25,000 + car

This board appointment is with an international market leader which manufactures a range of advanced equipment primarily for export markets. The company has an excellent reputation and from a sound financial base is aggressively pursuing expansion and business development. In addition to overall control and direction of financial affairs and accounting operations the Finance Director will contribute to all corporate decision making, working closely with the young and highly able Chief Executive. Qualified candidates in their thirties must offer experience at a senior level of sophisticated financial control and accounting management in an engineering manufacturing company which has significant export sales. Familiarity with the export marketing of capital equipment is very desirable. Some international travel may be required. There will be considerable potential for significant personal and career development well beyond the initial role and an excellent benefits package including profit sharing is offered.

In this instance the client wishes to make an early appointment and male or female candidates are therefore requested to forward a comprehensive cv giving full, relevant details immediately quoting *Ref: 42568/FT to G.T. Walker, 4 Mosley Street,* NEWCASTLE-UPON-TYNE, *NE1 1DE.* 0632-327455.

GROUP ACCOUNTANT

S.E. England c. £19,000 p.a. plus car

Our Client, a substantial private industrial group operating across a wide range of manufacturing and service industries, seeks a qualified Accountant to join a small head office team.

The position requires a sound knowledge of statutory accounting with a regular contribution at Board level by the use of effective management accounting. Close working relationships will be developed and maintained with senior management within the subsidiary companies.

The successful applicant, aged 30 – 45, will be able to demonstrate all round professional qualities, including an analytical and perceptive approach to finance and a diplomatic and persuasive style with individuals across a broad range of disciplines.

The benefits package, which reflects the advantages of a large and successful Company, is made even more attractive by an expected high level of job satisfaction.

Please apply in writing, giving full details of your career to-date and quoting reference No: 293/27 to Michael Carrick, Personnel Consultant.

Professional Personnel Consultants Limited
Orchard House, 1 Orchard Lane, Huntingdon, Cambs.
Telephone Huntingdon (0480) 41 11 11
"an equal opportunity vacancy"

PPC

COMPANY ACCOUNTANT

c. £18,000 NORTH HERTS./S. CAMBS.

Our client is a highly successful and entrepreneurial marketing and manufacturing group supplying a wide range of high-quality products to the construction industry in the UK and Europe. Due to the retirement of the previous incumbent they require a Company Accountant to be responsible for the group in accounting and company secretarial activities, the latter in hand with outside agencies. The successful candidate will be a qualified accountant familiar with a manufacturing environment and having had experience of secretarial activities.

This is a very exciting opportunity for an ambitious executive to contribute to the group's growth and profitability arising from the current planned improvements in financial controls and data processing systems.

They offer a salary up to c. £18,000 together with an attractive benefits package and company car.

Prospects for advancement are exceptional.

Please write enclosing a full C.V. and daytime telephone number to: ANDREW WOODS

CAPITAL & PROVINCIAL ADVERTISING LTD.
16 Hockerill Street, Bishop's Stortford
Hertfordshire CM23 2DW

cp Recruitment Advertising

Senior Systems Accountant

Northern Nigeria

equivalent to £39,000+excellent benefits

As an important Associate of the well known Blue Circle Industries PLC, Ashaka Cement Company, located near Kano, is now considered to be one of the world's most modern and sophisticated cement manufacturers whose major role is to ensure an indigenous supply of cement in support of the Nigerian Government's extensive industrial development programme.

Reporting to the Head of Finance, this appointee's primary role is the improvement of existing systems and the development of new ones. Accounting systems are largely computer-based and future plans include a stores linked accounts payable system, purchasing management, fixed asset accounting and on-line sales and distribution system.

Applicants, aged 25-35 must be qualified accountants with either industrial experience or background in systems development, a lively interest in computer systems, and of sharp mind.

Conditions of employment include a competitive salary, bonus, an end of contract 2 or 3 years gratuity offering very realistic savings potential. Other benefits include:

- **free fully furnished, air-conditioned bungalow accommodation**
- **free medical attention on site**
- **2 months annual leave taken twice yearly to the UK for employee and family**
- **educational assistance UK and local**
- **sports and club facilities**

The position offers an excellent opportunity to gain extensive 'hands on' experience of a substantial modern computer system.

Please write in confidence, enclosing a fully comprehensive CV and giving details of present remuneration to Michael R Andrews,
Executive Selection Division,
Price Waterhouse Associates, Southwark Towers,
32 London Bridge Street, London SE1 9SY
Please quote reference MCS/7157.

Price Waterhouse
Business Needs Experts.

FINANCIAL CONTROLLER

(DIRECTOR DESIGNATE)

South Coast c £22,000 + bonus + car

Brookes & Gatehouse is a leading marine electronics manufacturer based in Lymington with a U.S. subsidiary. Turnover is growing at a rate of 20% p.a. B&G is part of the Unitech PLC group.

The person appointed will be a key member of the management team and will be expected to make a full contribution to business strategy. Candidates, aged in their mid-thirties, should have experience of manufacturing industry and E.D.P. systems. High emphasis will be placed on successful career development and managerial skills. Experience of sailing would be an advantage.

Please write in confidence, with full career details, to:

BROOKES & GATEHOUSE LTD.
Bath Road, Lymington, Hants SO4 9YP
quoting ref. EM3

Management Accountant

Kent/Sussex borders Package to £15,000

An opportunity for a young accountant to join our client, a leading private medical insurance company which has enjoyed substantial growth during recent years.

Reporting to the Planning and Development Manager you will lead a team of five engaged in the control and monitoring of the Company's pricing policies entailing considerable involvement with sales and marketing personnel with specific responsibility for the preparation of quotations for use in sales negotiations.

Recently qualified or a numerate graduate with a management accounting background, you will have a positive, outgoing personality coupled with good man management skills.

The ability to communicate effectively with both financial and non-financial personnel is essential.

For further details please apply in writing to Richard Green quoting reference 2850.

db dunlop & badenoch
Recruitment Consultants

60 Mark Lane, London EC3R 7NE.
Tel: 01-265 0377

Accountancy Appointments

If you want to broaden your experience consult with Coopers & Lybrand

Age 27-35

You've already proved yourself in industry or commerce. But if you really want to stretch yourself, carefully consider a move into management consultancy with Coopers & Lybrand Associates – a firm that became Britain's largest management and economic consultancy by providing a second-to-none service to a surprisingly diverse range of clients.

Join us in Financial Planning and Systems and your input will be expected to have a direct effect on our clients' output. That will mean using every last ounce of your analytical, yet creative and problem solving abilities – working in a variety of environments. You will be based in London or the North of England and may have opportunities to work overseas.

Profit planning and control, investigations, feasibility studies, information systems – no two assignments are ever the same. And because you'll be working as part of a closely-knit team, your experience and expertise will develop quickly.

Package £20–28,000

Consultancy, however, is no soft option. Apart from being energetic and more than a little tenacious, you must also be diplomatic, adaptable and able to communicate clearly with people at all levels.

Should this sound appealing to you, and you are a graduate in your late twenties or early thirties, you can be prepared for some first class on-going training, look forward to a remuneration package in the £20-28,000 range and the chance to realise your potential in an atmosphere where second best simply won't do.

Vacancies exist in London, Leeds, Manchester and Newcastle. Applications for the London office should be sent to Clive Williams at the London address, quoting Ref. 01/3 and for the North of England to Vic Luck at the Leeds office, quoting Ref. 05/1. Résumés should include a daytime telephone number.

C&L

Coopers & Lybrand associates

Coopers and Lybrand Associates Limited management consultants

Fleetway House, 25 Farringdon Street, London EC4A 4AQ.

5 Albion Place, Leeds LS1 6JP.

CHIEF ACCOUNTANT

Middx — **Circa £18,000 + Car**

Our client is the UK subsidiary of a leading major US corporation, which manufactures and distributes a full range of high-technology graphic products.

The Chief Accountant will initially report to the Financial Controller and will take Executive responsibility for Accounting Policies and Procedures, Treasury Activities and the Company Secretarial Function.

This is an excellent opportunity for a qualified accountant in his/her late 20's to early 30's to join a progressive international organisation which can offer excellent prospects for career development.

Written applications, in strict confidence, to Robert N Collier at our London address quoting reference number 4984.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
113/115 George Street, Edinburgh EH2 4JN. Tel: 031-225 7744
Brook House, 77 Fountain Street
Manchester M2 2EE. Tel: 061-236 1553

DOUGLAS LLAMBIAS
Douglas Llambias Associates Limited
Accountancy & Management Recruitment Consultants
DLA

EMA

Young Accountant

International Investment Bank

c. £17,500 + Low Cost Mortgage Facility

Our client is the London based investment banking subsidiary of a major and highly reputable European bank. The bank is a market leader in both the management, underwriting and placing of international securities and the arrangement of liability swap transactions and syndicated loans.

Acting in direct support of the bank's management, the Accountant will review transactions and procedures primarily in an audit capacity. Reporting to the Chief Executive, he or she will work closely with the Finance Director and as well as advising on operating systems and control functions in the accounting, trading and settlement areas, which will involve a significant proportion of the work, will also be expected to undertake specific projects, e.g. investigations into the feasibility of certain activities or the profitability of business products.

The individual's exposure within the organisation and the continuing growth of the bank will provide excellent opportunities for career development in either the finance function or other areas of the bank.

In their mid to late 20s, applicants should be recently qualified Chartered Accountants who are capable of working on their own with the minimum of direction. Please write, enclosing a career history and day-time telephone number to David Hogg FCA, quoting reference I/2281.

EMA Management Personnel Ltd.
Halton House, 20/23 Holborn, London EC1N 2JD
Telephone: 01-242 7773 (24 hour).

European Reporting Accountant

A key European role for an internationalist

Salary: c.£14,000 — **Middlesex**

Computervision, an expanding and highly profitable multi-national corporation, is firmly established as the world leader in advanced computer aided design, manufacturing and engineering systems.

The continuing growth of our European sales and service operations has created this unique opportunity for a young, well-qualified accountant.

You will be part of a small team concentrating upon producing European consolidated financial and management accounts and providing analytical support to senior European financial management.

Additionally you will be involved in European budget and planning cycles. This post involves high visibility to senior European management.

An ACCA or ACMA, in your mid twenties, you should have strong analytical abilities, commitment to the task in hand, ability and willingness to learn quickly. Knowledge of a European language would be an advantage but is not essential.

Medium term (18 months) prospects for promotion to a position in Business Planning and General European Financial issues are excellent. Full training will be given in Financial Modelling techniques – hands-on experience of computer usage would be an advantage.

Salary is as indicated above, depending upon experience, and the excellent benefits package includes profit sharing bonus, pension scheme, free BUPA and life assurance. Assistance with relocation will be given where appropriate.

Please write with full career details or telephone for an application form to:
Clive Wright, Computervision Europe Inc.,
Computervision Centre, 1040 Uxbridge Road,
Hayes, Middlesex UB4 0RJ. Tel: 01-561 2626.

COMPUTERVISION

Productivity. . . by Design

YOUNG CA TO £15,000
LONDON

Research Accounting post with first rate Group. Provide support in formulating and implementing the Group position on financial and management accounting topics as directed. Develop Group position on exposure graphs and discussion documents issued by the major accounting bodies.

Phone transfer charge to 031-225 5152 or (0389) 61503 (evenings)
ACCOUNTANCY EXECUTIVE APPOINTMENTS

FINANCE DIRECTOR MIDLANDS

c £18,000 + car + bonus

Due to an internal promotion, Cartransport, one of the country's leading car delivery companies and a member of the employee owned National Freight Consortium seeks a young and ambitious qualified accountant as Finance Director.

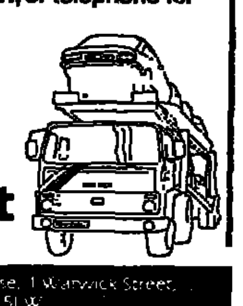
Reporting to the Managing Director, the successful candidate will have full responsibility for the company's financial functions, supported by a young and competent accounting team.

As a board member, the appointee will be actively involved in the company's development programme, which has already resulted in the establishment of successful car auctions and car leasing divisions during the past 18 months.

The successful candidate will not only be able to demonstrate a broad experience in financial control but will also possess the communication skills necessary to tackle this wide ranging and demanding job.

Please write enclosing a full c.v., or telephone for an application form to;

Mr. P.L. Cook
Personnel Manager



cartransport
A Member Company of the NFC

Cartransport Limited, Blackburn House, 1 Warwick Street, Leamington Spa CV32 5LW
Telephone: (0926) 30321 Telex 31405

Hoggett Bowers

Executive Search and Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD

Financial Director Designate

Cleveland, to £18,000 + bonus + car

For a small, rapidly expanding and highly successful company, operating in the retail sector, supplying a wide range of products through a national distribution system. Responsibility is to the Managing Director for the overall direction and control of the financial function with the initial emphasis, in addition to the preparation and interpretation of monthly financial information, on the formulation and development of computerised accounting and administrative systems. Qualified accountants, aged under 35, and already proven high calibre financial managers with extensive computerised accounting development experience, must demonstrate the personality, drive, determination and leadership skills which will enable them to make a major contribution to the successful expansion of this highly profitable and dynamic business.

K.H. Thompson. Ref: 46013/FT. Male or female candidates should telephone in confidence for a Personal History Form 0632-327455, 4 Mosley Street, NEWCASTLE-UPON-TYNE, NE1 1DE.

Financial Manager

to £18,500 + Bonus — **London SE1**

A leading U.K. multinational Group has a turnover of over £1,000m and employs 25,000 worldwide. One of its most successful subsidiaries, engaged in engineering and contracting, employs 120 people with a turnover approaching £22m p.a., has expanded fourfold in recent years and seeks a Financial Manager.

Initial responsibilities will include the improvement of financial and management reporting to cope with rapid growth, various ad hoc exercises and the implementation of new computerised systems (IBM pc based). The position reports to the Financial Director and promotion prospects within the Group are excellent.

Candidates should be Accountants (ACA/ACMA/ACCA), with a minimum of one year's post-qualification commercial experience in the likely age range 25-30. Commitment and the ability to communicate effectively with all levels of management are important factors.

Please send full career details to Barry C. Skates, quoting ref: 6759.

Mervyn Hughes Alexandre Tic (International) Ltd.
Management Recruitment Consultants
MHAT

37 Golden Square, London W1R 4AN.
01-434 4091

GUIDE TO RECRUITMENT CONSULTANTS

The Financial Times has arranged with the Institute of Chartered Accountants to publish a list of those candidates who were successful in the recent Part II examinations. We will be including in this feature '& The Newly Qualifieds' Guide to Recruitment Consultants."

Entries in the Guide will be charged at £55 which will include company name, address and telephone number. Extra lines will be charged at £11 per line.

For further details please telephone:

Mike Hills on 01-248 4864
or
Robert Winter on 01-236 9763

Financial Controller

East Midlands c. £16K + car

Our client is a very successful company in the service sector and generally regarded as a highly innovative and profitable market leader in this competitive industry. The company is about to undergo a period of rapid expansion through organic growth and acquisition.

The successful candidate will have the technical ability and personality to make a substantial contribution to this expansion. Candidates, ideally aged 25-30, should be qualified accountants who can demonstrate a successful track record, be self motivated and have the ability to communicate effectively at all levels.

Please apply in confidence giving details of your career history and current salary to:

WALTER JUDD LIMITED (Ref L604),
(Incorporated Practitioners in Advertising),
1a Bow Lane, London EC4M 9EJ

Accountancy Appointments

Accountancy Appointments

Assistant Financial Controller

Mid to late 20s Knightsbridge

The UK finance and accounting department of this major international group seeks an ambitious, commercially-minded chartered accountant, who has strong computer systems experience. Responsible, initially, for a major review of existing systems and implementing improvements, the person appointed will assume increasing responsibility for managing the department. UK turnover approaches £40m, and career prospects in the expanding group are first class for someone who has at least two years' post-qualifying experience, ideally in a commercial organisation. The remuneration package and benefits are excellent.

Please send brief cv, in confidence, to Peter Greenaway, Ref: AA51/9130/FT.

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Age 28-32 flex to c.£22,000 + Bonus + Car West London

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An energetic and commercially minded young individual is sought to manage and develop the financial planning and analysis function. *Reporting to the Financial Director, and supported by a small team, this individual forms a key part of the senior management* team.

Responsibilities involve assisting operations management in the preparation of annual and long-term plans, monitoring and critically appraising operating results, producing forecasts of performance, and proposing and implementing profit improvement plans to take advantage of business opportunities identified.

This is a 'visible' role and provides for high exposure to operations management and requires a strong presence not only at headquarters but, also in the field. As a result, promotion to a more senior financial management appointment, either within the UK or one of the European operations, is a strong possibility in 2 to 3 years.

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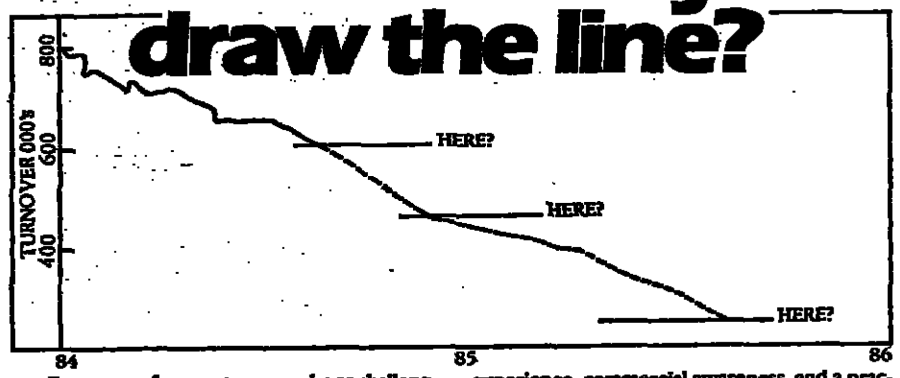
Financial Management Selection Limited, 21 Cork Street, London W1X 1HB (Tel: 01-439 6911)

Financial Management Selection

If you were a bank, where would you draw the line?



Few areas of accountancy can be as challenging as insolvency; advising on the viability of businesses and how businesses in trouble can be rescued; maximising the value of companies for whom the only solution is receivership or liquidation.

It is demanding but rewarding work, requiring a high level of ability and expertise.

We are, therefore, looking for young qualified Chartered Accountants, preferably with good degrees, who are highly motivated and who enjoy a stimulating environment with great potential for advancement.

You must have high quality professional experience, *commercial awareness*, and a *practical approach* to your work that enables you to determine the facts behind the figures, but you need not have worked in an insolvency department.

Salary will be negotiable and will reflect the high calibre of the individuals who we are seeking. We are looking for people to work in London, but we also have vacancies in our Birmingham, Manchester and Leeds offices.

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FINANCIAL CONTROLLER

THAMES VALLEY
c. £24,000 + car

My client is a medium-sized, rapidly-expanding subsidiary *of an international* company with an annual turnover of circa £10 million. The company enjoys a good balance between well established engineering, high technology and manufactures a range of products which are marketed worldwide.

The person appointed will be responsible for the total financial function and will report to the Managing Director.

Candidates must be qualified Accountants aged 28 or above. In-depth experience of the financial and management accounting functions is essential.

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Lindsay McNish
MILLER/McNISH
Ilford House
133 Oxford Street
London W1R 1DD

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Financial Controller

Greater Manchester £18,000 + Car

Our client is the UK subsidiary of a prestigious US parent and supplies, tests, processes and packages hi-tech electronic components for a wide range of customers in UK and some twenty overseas markets. Its development and rate of growth now demand the appointment of a Financial Controller who will report to the Managing Director and take responsiblity for all financial and Secretarial functions in the company.

Probably aged early 30s upwards, and well qualified, the appointee will demonstrate successful experience in the management of an Accounts department, and in the rapid provision of management information and control to UK and overseas recipients in a complex and fast-moving international environment. Experience of the electronics industry is not vital, but the development of sensitive, computerised cost control systems would be an especially useful background.

The market is competitive but expanding, and the post offers opportunity for growth both with and within the organisation. Other benefits will include contributory pension and private medical insurance. Assistance will be given with neccessary relocation expenses.

Letters of application, together with CV, salary progression and any other relevant data, should be sent without delay to Mr. C.A. Cotton, Executive Recruitment Division, Stoy Hayward Associates, Peter House, St. Peter's Square, Manchester, M1 5BH, quoting reference *M 683*

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MANAGEMENT CONSULTANTS
A member of Horwath & Horwath International

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UNIVERSITY OF GLASGOW CHAIR OF ACCOUNTANCY

Applications are invited for appointment to a Chair of Accountancy following the retirement of Professor David *Flint in September 1985. The successful* applicant will have teaching and research interests in one or more of the following subjects:

- Accounting Theory and Financial Reporting.
- Auditing.
- Managerial Accounting and Control.
- Accounting Information Systems.
- International Accounting and Financial Management.
- Social Accounting, and Public Sector Accounting.

The appointment will be made with *effect from 1st October, 1985 or at* a later date to be agreed.

Further particulars may be obtained from the Academic Personnel Office, University of Glasgow, Glasgow G12 8QQ, where applications (3 copies; 1 copy in the case of overseas applicants) *giving the names and addresses* of three referees, should be lodged on or before 4th March, 1985.

In reply please quote Ref: No. 5404FA.

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with professional accountancy skills

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As a new member of the small technical marketing team, you will provide professional support to the sales force, play a central role in developing insurance packages for the business market and contribute to the general management of the marketing activity. Career prospects, not constrained by age, are excellent.

Probably in your late twenties or early thirties, you are likely to be a qualified accountant *and must have an accounting background either in the financial services or the small* business sector. Skills in project management, group presentations and team leadership are essential.

Benefits package includes subsidised mortgage, private health insurance, low-cost contributory pension scheme and relocation assistance where appropriate.

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This appointment is open to men and women.

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MANAGEMENT SELECTION

Financial Controller (Director Designate)

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Reporting to the *Managing Director, the Financial Controller will be completely* responsible for the financial management and control of the company. Specific emphasis will be placed on the enhancement of accounting procedures and the development of computer based management information systems. He or she will also be expected to participate in the strategic and commercial decision making activities of the senior management team.

Candidates, aged 35 to 50, must be qualified—preferably chartered—accountants with significant senior level experience in a public limited company and in a manufacturing environment. In addition, candidates should be adaptable, have a keen commercial sense and have the interpersonal skills to fit into a small management team.

This is a new position and, subject to satisfactory performance, the person appointed may expect directorship to be confirmed within twelve months. A competitive remuneration package will be negotiated and includes an executive car, contributory pension, free BUPA and *relocation expenses.*

Suitably experienced candidates should write quoting reference MCS 8517 and enclosing full career and salary details to Mike Okninski, Price Waterhouse Associates, Executive Selection Division, Falcon House, The Minories, Dudley, West Midlands DY2 8PG. (Telephone: 0384 237501).

Price Waterhouse
Business Needs Experts.

NEWLY QUALIFIED ACCOUNTANCY APPOINTMENTS

The Financial Times has arranged with the Institute of Chartered Accountants to publish a list of those candidates who were successful in the recent Part II examinations.

We propose to publish the list in our issue of Thursday, February 28, which will also contain several pages of advertisements under the heading of "Newly Qualified Accountancy Appointments." The advertising rate will be £37.00 per single column centimetre. Special positions are available by arrangement at premium rates of £44.00 per scc. Newly Qualified Accountants, especially Chartered, are never easy to recruit—don't miss this opportunity!

We will also be including in this feature a

GUIDE TO
RECRUITMENT
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and entries in the guide will be charged at £55.00 which will include company name, address and telephone number.

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FINANCIAL TIMES
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Our client is a $600 million turnover U.S. multinational public company, with diverse industrial interests specialising in advanced technology fields.

As part of the corporate development scheme, an excellent opportunity has arisen for a recently qualified Chartered Accountant to participate in the company's professional management programme.

Based in Connecticut, U.S. and London U.K., this two year programme will involve some travel within the U.S. and Europe and will provide in-depth exposure to:—

★ Treasury ★ Operational Review
★ Acquisitions ★ Management Reporting

This is a unique training programme which will lead to excellent career development opportunities within the company.

Applicants aged 24-27, must have qualified with a large professional firm and have the presence and personal skills to communicate successfully at senior management level.

Interested applicants should contact **Mark Brewer** on **01-242 0965** or write to Michael Page Partnership, 31 Southampton Row, London WC1B 5HY, quoting ref. L1057.

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Broad commercial role in travel business

FINANCE AND ADMINISTRATION DIRECTOR

London £20,000 — £25,000 + car

This new position arises in a fast moving travel business with ambitious growth plans. The company is part of a diverse multinational group which has already established itself as a household name.

Reporting to the Managing Director — International, the Finance and Administration Director will be responsible for the accounts and sales administration functions and for the introduction of data processing systems. There will also be involvement in acquisitions and in setting up new operations.

Candidates should be qualified accountants, preferably in their early 30's, who combine the vision to think in strategic terms with the willingness to roll up their sleeves when necessary. They must demonstrate experience of financial management in small/medium sized companies, growth situations and sales orientated businesses, and should ideally have worked in a subsidiary of an overseas group and have an understanding of currency problems.

Please send a comprehensive career résumé, including salary history and day-time telephone number, quoting ref: 2248 to G.J.Perkins, Executive Selection Division.

Touche Ross & Co.

Hill House 1 Little New Street London EC4A 3TR Tel: 01-353 8011

24

International Appointments

SECTION III – INTERNATIONAL MARKETS

FINANCIAL TIMES

Thursday January 31 1985

Crédit National takes floating rate yields lower, Page 44

WALL STREET

New peaks prove hard to hold

ANOTHER day of feverish trading saw the stock market endeavouring to hold on to the peaks established late in the previous session. The big institutions returned in force, bringing turnover in the stock market to its highest levels of the January boom and challenging previous record totals, *writes Terry Byland in New York.*

The market leaders turned easier at mid-session, however, after news of the accord reached on oil prices by the Opec ministers in Geneva.

The Dow Jones industrial average closed down 4.74 at 1,287.88.

The bond market eased as it awaited the Treasury's funding announcement, due late in the session. The federal funds rate turned lower but its recent upturn brought suggestions from some analysts that the Fed might no longer be actively easing credit policies.

Blue-chip stocks paused after an opening burst of strength which put six points on the Dow scale in heavy volume. Across the broad range of the market, gains were fully held.

Institutional buying programmes that boosted the market late on Tuesday still hovered in the wings, and the market's optimism for an expansion of the economy and low inflation was undimmed.

Stocks in the Wall Street traders themselves continued to benefit from the sharp increase in business, which will boost earnings. Merrill Lynch was unchanged at $34⅞ but turnover remained very heavy.

But airline and technology stocks, two leading sectors in the recent upswing, looked sluggish. United fell $1 to $45¼.

Major corporate reporters included Bethlehem Steel $⅜ down at $18⅞ after cutting its dividend on further trading losses.

Xerox, the office machinery group, fell $1⅝ to $42 on its profits statement for last year's final quarter. Among consumer issues, Phillip Morris held unchanged at $83⅝ after the trading figures were announced. Du Pont edged up $¼ to $52 on flat results, however.

Oil stocks responded favourably to the flow of corporate results and to the outcome of the Opec discussions. Chevron, $1½ up at $33½ was boosted by increased earnings, as was Texaco $⅝ up at $34⅞. Atlantic Richfield, stepping up investment in the North Sea, jumped $1⅜ to $44⅞. Exxon added $⅞ to $47⅞ in heavy turnover.

Technology issues looked uncertain behind IBM, $⅛ off at $136⅞ in heavy trading. A warning of slower sales growth drove Data General down $1⅝ to $69¼. National Semiconductor, however, $½ up at $13⅜, topped the active list on institutional support.

Other big movers among industrials included Weyerhauser, $1½ lower at $31⅞ after disclosing charge-offs against profits.

Lower earnings took $1 off Owens-Illinois, at $41. Browning-Ferris, the waste disposal group, held unchanged at $40, Bucyrus-Eyrie dipped $¼ to $15¼, American Can shed $½ to $54½, while Copper Industries added $⅞ to $32½ – all after trading statements. Asarco gained $½ to $22 despite a $216m charge against profits.

There was a fresh rash of speculative buying of Schlumberger, the oil services group, which jumped $⅞ to $38¾ in heavy trading.

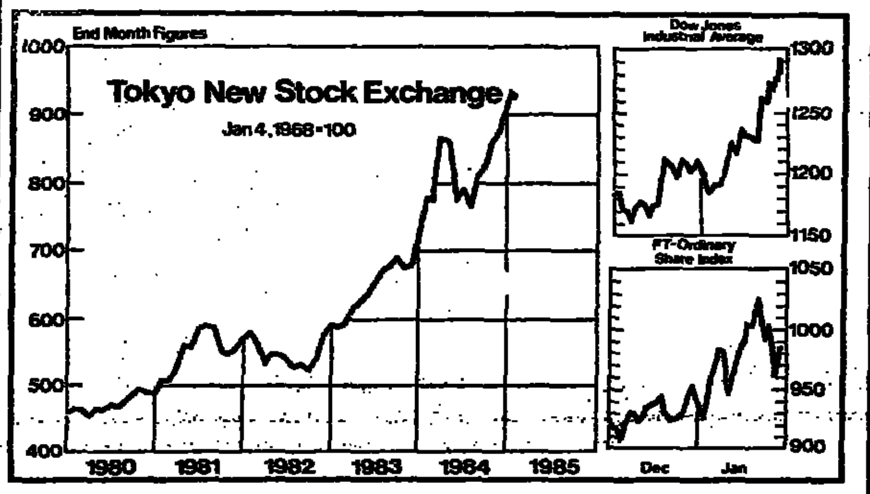
Stock in BankAmerica remained unchanged at $19¾ after posting of a legal suit relating to the mortgage loan certificates that have caused the bank to write off $37m against profits.

In the credit markets, federal funds settled at 8⅜ per cent, in accord with the market's belief that the Federal Reserve has accepted a range of around 8¼ per cent.

Further easing in Fed policies is now thought unlikely, but any tightening is also improbable while inflation remains low. Treasury bill rates edged up by a few basis points yesterday, but money market rates were generally easier.

The bond market traded quietly, with retail investors willing to take stock, but the institutional traders inclined to await details of the Treasury funding programme. The price of the key long bond eased by 5/32 to 105 14/32.

KEY MARKET MONITORS



STOCK MARKET INDICES

	Jan 30	Previous	Year ago
NEW YORK			
DJ Industrials	1,287.88	1,292.62	1,221.52
DJ Transport	615.04	614.37	552.18
DJ Utilities	149.00	148.90	132.71
S&P Composite	179.39	179.19	162.87
LONDON			
FT Ord	986.7	961.2	829.2
FT-SE 100	1,277.3	1,249.3	1,068.6
FT-A All-share	613.69	601.35	500.51
FT-A 500	672.09	657.33	534.62
FT Gold mines	465.0	446.1	570.2
FT-A Long gilt	10.86	11.03	10.17
TOKYO			
Nikkei-Dow	11,960.63	11,843.07	10,235.7
Tokyo SE	929.19	922.34	777.96
AUSTRALIA			
All Ord.	764.4	758.1	765.7
Metals & Mins.	441.1	432.2	517.3
AUSTRIA			
Credit Aktien	59.40	59.18	55.68
BELGIUM			
Belgian SE	2,100.37	2,110.16	–
CANADA			
Toronto			
Metals & Minls	2,189.2*	2,177.8	2,307.0
Composite	2,599.1*	2,580.1	2,480.0
Montreal			
Portfolio	124.60*	130.46	121.14
DENMARK			
Copenhagen SE	172.30	170.16	221.43
FRANCE			
CAC Gen	195.6	195.6	172.0
Ind. Tendance	107.1	106.9	93.7
WEST GERMANY			
FAZ-Aktien	395.31	393.78	366.01
Commerzbank	1,148.6	1,147.2	1,082.8
HONG KONG			
Hang Seng	1,335.04	1,338.87	1,097.63
ITALY			
Banca Comm.	263.45	259.88	223.07
NETHERLANDS			
ANP-CBS Gen	195.0	199.2	177.9
ANP-CBS Ind	155.1	153.3	146.3
NORWAY			
Oslo SE	333.17	326.64	247.53
SINGAPORE			
Straits Times	821.6	816.38	1,063.88
SOUTH AFRICA			
Golds	n/a	914.7	808.2
Industrials	n/a	880.4	965.1
SPAIN			
Madrid SE	113.28	113.82	77.72
SWEDEN			
J & P	1,432.11	1,429.83	1,560.39
SWITZERLAND			
Swiss Bank Ind	414.3	412.2	380.7
WORLD	Jan 29	Prev	Yearago
Capital Int'l	195.7	194.4	185.2

GOLD (per ounce)

	Jan 30	Prev
London	$303.25	$302.75
Zürich	$303.15	$303.15
Paris (fixing)	$303.92	$304.18
Luxembourg	$303.05	$303.50
New York (Feb)	$304.30	$301.80

* Latest available figure

CURRENCIES

(London)	U.S. DOLLAR Jan 30	U.S. DOLLAR Previous	STERLING Jan 30	STERLING Previous
$	–	–	1.1265	1.1145
DM	3.169	3.176	3.57	3.5425
Yen	254.5	254.3	286.75	283.75
FFr	9.68	9.725	10.905	10.82
SwFr	2.675	2.666	3.0125	2.9725
Guilder	3.5775	3.588	4.03	4.00
Lira	1,950.5	1,953.0	2,196.0	2,178.0
BFr	63.3	63.45	71.3	70.75
C$	1.32755	1.32665	1.4955	1.479

INTEREST RATES

	Jan 30	Prev
Euro-currencies (3-month offered rate)		
£	12⅝	13⅛
SwFr	5 7/16	5⅝
DM	5⅞	6
FFr	10⅜	10⅜
FT London Interbank fixing (offered rate)		
3-month U.S.$	8½	8 9/16
6-month U.S.$	8¾	8 13/16
U.S. Fed Funds	8 7/16*	8⅜
U.S. 3-month CDs	8.15*	8.2
U.S. 3-month T-bills	7.81*	7.82

U.S BONDS

Treasury	Jan 30* Price	Jan 30* Yield	Prev Price	Prev Yield
9¾ 1987	99 31/32	9.77	100 2/32	9.71
11⅝ 1992	103 12/32	10.92	103 16/32	10.89
11⅝ 1994	103 15/32	11.03	103 24/32	10.98
11¾ 2014	105 14/32	11.12	105 27/32	11.09
Corporate	**Jan 29* Price**	**Yield**	**Prev Price**	**Yield**
AT & T				
10⅜ June 1990	96¾	11.20	96¾	11.20
3⅞ July 1990	75	10.00	75	10.00
8¾ May 2000	77⅞	12.00	77⅞	12.00
Xerox				
10⅜ March 1993	95¾	11.45	95¾	11.45
Diamond Shamrock				
10⅜ May 1993	95⅝	11.50	95⅝	11.50
Federated Dept Stores				
10⅜ May 2013	87	12.70	87	12.70
Abbot Lab				
11.80 Feb 2013	98¾	11.95	98¾	11.95
Alcoa				
12¼ Dec 2012	98¾	12.40	98¾	12.40

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
March	73–29	74–07	73–21	73–19
U.S. Treasury Bills (IMM) $1m points of 100%				
March	92.09	92.16	92.07	92.09
Certificates of Deposit (IMM) $1m points of 100%				
March	91.59	91.65	91.57	91.54
LONDON				
Three-month Eurodollar $1m points of 100%				
March	91.33	91.35	91.28	91.16
20-year Notional Gilt £50,000 32nds of 100%				
March	104–22	104–24	102–25	102–08

COMMODITIES

(London)	Jan 30	Prev
Silver (spot fixing)	549.15p	558.05p
Copper (cash)	£1,262.50	£1,265.50
Coffee (Mar)	£2,353.50	£2,368.50
Oil (spot Arabian Light)	$27.60	$27.60

TOKYO

Attempt at rally falters

AN ATTEMPT in Tokyo to follow the record-breaking path set by Wall Street, faltered as a late round of profit-taking left prices slightly lower on the day, *writes Shigeo Nishiwaki of Jiji Press.*

At the start of the afternoon session, the Nikkei-Dow market average surged 127.61 to 11,970.68, exceeding the record high 11,964.56 close set on January 21. It finished the day up 117.56 at 11,960.63. Volume totalled 502m shares compared with Tuesday's 563m, and rises outpaced declines 425 to 298 with 168 issues unchanged.

Wall Street's upsurge strengthened expectations for a global stock price advance. Tokyo buying centred on laggards among biotechnology stocks and speculative issues, however, and the popular blue chips were those related to compact disc digital audio players.

Kuraray, a forerunner among biotechnology issues, was the day's third most active stock with 13.07m shares changing hands, but its price dropped Y40 to Y1,120. Fujisawa Pharmaceutical also lost Y50 to Y1,270.

Yamanouchi Pharmaceutical, however, jumped Y80 to Y3,650 and Nippon Reizo advanced Y20 to Y390. Mochida Pharmaceutical scored the daily maximum allowable gain of Y500 to Y13,300.

Among incentive-backed stocks, Takaoka Electric rose Y36 to Y346 in the day's heaviest trading of 14.03m shares, reflecting an unexpected rise in demand for semiconductors. Meidensha Electric added Y54 to Y573, and Nippon Gakki, also related to semiconductors, went up Y10 to Y2,040.

Fuji Heavy Industries advanced Y30 to Y555, while Nippon Denko finished Y110 higher at Y1,260.

Konishiroku Photo Industry drew heavy buying – 11.43m shares – and rose Y33 to Y748 on increasing sales of lenses used in compact disc players. The leading disc makers, Sony and Pioneer, gained Y110 to Y4,090 and Y190 to Y3,360, respectively.

Despite the advance in New York, Japanese stock purchases by non-residents were low. Their sell orders placed with Japan's four main brokers in the morning outnumbered buy orders by 24m shares to 22m. Investors, who had expected Wall Street's gain to lead to increased non-residents' purchases of blue chips in Tokyo, were discouraged and concentrated their buying on limited blue chips.

Bond prices opened firmer, but profit-taking soon mounted on the inter-broker and over-the-counter markets, forcing them to finish lower. The yield on the barometer 7.3 per cent government

HONG KONG

SOME LATE local bargain hunting lifted Hong Kong off its lows for the day in what was seen by some analysts as the first positive reaction to last weekend's half point cut in the colony's base lending rate.

The market had opened steady, but turned lower at mid-morning with sharp losses seen among select blue-chip issues. By the close the Hang Seng index was down 3.83 at 1,335.04.

Bank of East Asia, which reports 1984 results today, lost 70 cents to HK$23.70. China Light shed 20 cents to HK$14.40, Hongkong Electric 5 cents to HK$7.80 and Swire Pacific 70 cents to HK$23.40.

Hutchison Whampoa and Jardine Matheson shed 10 cents to HK$19.70 and HK$8.75 respectively.

In the other direction, Cheung Kong gained 20 cents to HK$13.30, Hongkong Land 10 cents to HK$4.25 and Hongkong Bank 5 cents to HK$8.90.

EUROPE

Opec accord provides stimulus

THE OPEC accord in Geneva combined with a lengthy list of corporate developments to stimulate trading on European bourses.

Oil shares were sensitive to the pricing structure agreed at the Opec Conference, while banks and some car makers moved ahead.

The late surge in **Frankfurt** spurred by foreign buying, was not reflected in the mid-day calculation of the Commerzbank index, which rose 1.4 to 1,147.2.

Sentiment was flavoured by the possibility that the Bundesbank will raise the key Lombard and discount rates currently at 5.5 per cent and 4.5 per cent respectively – at its meeting today.

Opinion is divided over the likelihood of a rate rise and it proved sufficient to dissuade most investors from taking positions earlier in the week, but the advent of foreign funds induced the return of local support.

Foreign buying centred on chemicals, electricals and machine makers – all export-oriented sectors.

Siemens' profit and rights issue announcement gained it a hefty DM 5.40 rise to DM 500.50. The one-for-17 rights issue is priced at DM 100 per DM 50 share, with nominal share value of the group increasing to DM 140m. BASF led a buoyant chemical sector with a DM 2.80 rise to DM 181.30 as Bayer moved DM 1.90 higher to DM 189.70.

Quality cars were mixed. Porsche rose DM 20 to DM 1,080, while Daimler recovered some of the ground lost in the previous session with a DM 9.50 advance to DM 633. BMW moved against the trend with a 50 pfg decline to DM 369.50.

Stores featured with Karstadt, DM 5.50 cheaper at DM 221.50, and Kaufhof, steady at DM 211, after plans to merge the travel operations of the two department store groups into one unit with a combined turnover of DM 1.6bn. Horten slipped DM 3 to DM 170.

Veba, likely to gain from cheaper oil, rose DM 1.60 to DM 172. Although Lufthansa, likely to benefit for the same reason, slipped DM 1 to DM 185.

Star performer of the day was industrial robot maker IWKA, which peaked at DM 281 before settling a net DM 19.80 higher at DM 278.50.

In banks, Deutsche, which announced board changes on Tuesday, finished at the day's high of DM 398.50, at net DM 4 up, while Dresdner gained DM 1.40 to DM 192.60.

The return to profit by Thyssen boosted the steel maker by DM 1.20 to DM 91.00.

Cost-of-living data for January, which indicated a 2.1 per cent year-on-year increase, arrived too late to affect the market.

Bonds were actively pursued by domestic and foreign buyers with rises of up to 65 basis points. The Bundesbank sold a hefty DM 97.2m in paper after Tuesday's sales of DM 11.5m.

Amsterdam found its inspiration from the overnight record on Wall Street. The ANP-CBS general index recovered from the previous session's setback with a 2.8 point rise to 195.0.

Royal Dutch/Shell posted a sharp Fl 4.60 rise to Fl 186.20, a high for the year, on the prospect of more stable, albeit lower, oil prices.

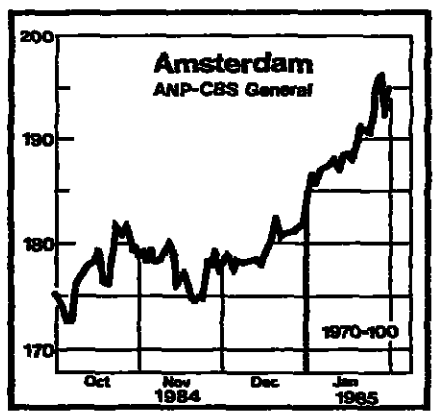
In banks, ABN soared Fl 12 to Fl 390 and NMB added Fl 6.50 to Fl 168.50. Insurers recovered from Tuesday's trough with Amev Fl 6 higher at Fl 221.50 and Nat-Ned rising the same amount to Fl 285.

Akzo, which announced record profits and a higher dividend after Tuesday's close, recouped the losses sustained in that session with a Fl 3 rise to Fl 103.50.

A broad recovery in publishers took VNU Fl 6 higher to Fl 218.50 and Elsevier Fl 3 up to Fl 114.

Bonds edged higher by up to 30 basis points in largely professional trading. Akzo's 7 per cent Fl 150m five-year Euronote issue was greeted with slow demand and was quoted at around 98.50.

Even Boskalis, which often finds it difficult to advance in a rising market, made progress with a 20-cent gain to Fl 13.50.



Zurich continued its record-breaking run with a 1.1 point rise in the Swiss Bank industrial index to 414.3.

Ciba-Geigy and Sandoz found support, the former rising by SwFr 20 to SwFr 2,800 and the latter by SwFr 25 to SwFr 1,290. Hoffmann-La Roche, planning to lay off 1,000 employees at its U.S. subsidiary, gained SwFr 25 to SwFr 9,075.

Nestlé built on the steady progress made since Monday's results with a further SwFr 50 rise to SwFr 6,130, while Swissair, sensitive to oil price movements, firmed SwFr 8 to SwFr 1,120, a 12-month high.

Banks firmed and insurers gained ground on good volume. Bonds traded lower despite the encouraging overnight performance in New York.

The peak in **Milan** was fomented by institutional buying and foreign support. Pirelli SpA scored a L58 rise to L2,241.

Olivetti, unsettled during the previous session by a L9 fall after signing an accord with the Spanish Government to invest $7.7m to produce workstations and establish a software centre, regained its composure with a L149 surge to L6,599.

Fiat moved against the trend with a L200 decline to L2,370 after its dazzling performance earlier this month.

Paris displayed renewed vigour. Oils were mixed with Esso FFr 10 down to FFr 506 after the deregulation of French petrol prices, and Elf-Aquitaine gained FFr 4 higher to FFr 234 after two weak sessions.

Skis Rossignol's FFr 95 surge to FFr 2,010 took it to a 12-month peak after plans to at least maintain, or possibly increase the dividend for the year to March 31.

Petrofina continued to sustain losses in a weaker **Brussels**. The oil company, which is Belgium's leading industrial group, lost BFr 30 more to BFr 6,500 ahead of the Geneva accord and tomorrow's annual results.

Banks provided some encouragement in an otherwise dull **Madrid**, while lacklustre trading in **Stockholm** revealed few movements.

CANADA

A BROADLY BASED advance left shares trading at record high levels in Toronto in heavy turnover.

Gulf Canada put on a further C$¼ to C$18 amid renewed takeover speculation.

Montreal also moved ahead.

LONDON

Dramatic display of confidence

THE stock market roller-coaster continued at breakneck speed with values climbing swiftly after their rapid two-day descent. A stronger pound, tumbling money-market rates and Opec's majority oil pricing agreement contributed to the show of confidence. There was little doubt, however, that Wall Street's overnight surge to a record level provided the initial stimulus.

Gilt-edged stocks led the surge higher to establish late gains of 3 points, while the FT Ordinary share index rebounded 25.5 to 986.7.

Domestic institutional investors were extremely active in the gilt-edged sector which strengthened considerably in the after-hours business, on the back of sterling.

Leading shares also settled at the session's best. Hopes of a fall in bank base rates from the current level of 14 per cent were high, but a reduction was not expected before next Tuesday's announcement of the January money supply statistics.

Top-quality stocks, and particularly the oil majors, spearheaded the advance, but a revived interest was also shown for a host of issues with overseas earnings potential.

Chief price changes, Page 36; Details, Page 37; Share information service, Pages 38–39

SINGAPORE

LATE PROFIT-TAKING failed to erase the benefit of earlier active demand in Singapore and the Straits Times industrial index closed 5.22 higher at 821.60.

Among actively traded issues, Pan Electric shed 2 cents to S$2.93 and Pahang Consolidated eased 1 cent to 94 cents, but Genting added 5 cents to S$5.40.

Hotels, properties and commodities also firmed with Singapore Land 12 cents higher at S$3.28 and Consolidated Plantations 5 cents firmer at S$2.77.

SOUTH AFRICA

GOLD SHARES in Johannesburg recovered some of their sharp early losses which had been prompted by the resumed upward turn taken by the rand.

Randfontein shed R6.50 to R173.50 after a low of R169, while Grootvlei was unchanged by the close at R15, having slipped at one stage to R14.50.

Mining financials and other minings also recovered from their worst levels of the day, with Anglo American down 25 cents at R22.25 and De Beers 25 cents ahead at R8.80, having been down to R8.50. Industrials remained weak.

AUSTRALIA

A FURTHER advance was recorded in active Sydney trading, fuelled by the sharp gains on Wall Street overnight. The market also benefited from signs of an improvement in copper and nickel prices.

The All Ordinaries index added 6.3 to 764.4 while the All Industrials index set another record, moving up 4.9 to 1,148.3.

Firm international gold prices helped the market, while oil and gas issues managed gains despite uncertainty over the outcome of the Opec meeting in Geneva.

Takeover speculation spurred Arnotts 10 cents higher to A$4 and Allied Mills 1 cent up to A$2.93.

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls. 100s	High	Low	Close Quote	Ch'ge Prev. Close
23½	16⅛	AAR	.48	2.3	16	415	21⅛	20⅝	21	+ ½
27½	9⅜	AGS			12	254	15⅞	15⅝	15	− ⅛
20⅝	12⅞	AMCA		1.6	3	23	14½	14¼	14½	+ ⅛
17⅞	13¼	AMF	.50	3.1	29	547	16¼	15¾	16	− ¼
51¼	49⅝	AMF	pf 5e	9.9		12	51	50¼	51	
39¾	24¼	AMR			9	11559	39¼	38¼	38⅞	− ⅛
20⅝	18¼	AMR	pf2.18	11.		22	19⅝	19⅝	19½	+ ⅛
39	27½	AMR	pf2.12a	5.5		354	u39½	38	38⅝	− ⅛
25⅛	22⅞	ANR	pf2.67	10.		100	u25½	24½	25½	+ 1
14¼	8½	APL			3	33	10⅝	10⅛	10⅝	+ ⅛
69⅞	44¼	ASA		3	5.9	845	50⅞	49¾	50⅝	− 1⅛
26⅝	16	AVX	.32	1.3	15	5104	u27	24⅝	24⅞	+ 3⅛
48¾	36¼	AbtLab	1.20	2.6	14	4586	47½	46⅝	46⅞	+ ½
25⅛	16½	AccoWd	s .44	1.7	20	1560	u25⅞	25¼	25½	− ⅛
26¼	12½	AcmeC	.40	2.1		378	18⅞	18½	18⅞	+ ¼
12⅛	8¼	AcmeE	.32b	3.3	12	14	9¾	9⅝	9⅝	+ ⅛
17⅞	15	AdaEx	2.11e	13.		158	16½	16¼	15½	
18⅞	11⅞	AdmMl	.32	1.8	9	67	18⅛	17⅞	17⅞	− ⅛
19⅞	8⅝	AdvSys	.81t	6.1	21	663	13½	12⅝	13¼	+ ¼
41⅞	25⅛	AMD			15	7039	36⅝	35¼	35⅝	+ ⅞
12¾	6⅞	Advest	.12	1.1		556	10¾	10½	10¾	+ ⅛
14⅛	8¼	Aerflex			13	194	13½	12⅝	12⅞	− ⅛
39⅛	27⅛	AetnLf	2.64	6.6	33	3252	u40	39⅝	39¾	
58¼	52⅝	AetL	pf5.87e	11.		270	56⅝	55½	55¾	+ ⅛
33⅛	15¼	Ahmns	1.20	3.9	18	2281	32⅛	31½	31¾	− ¼
4⅝	2⅝	Aileen			29	107	2⅞	2⅞	2⅞	+ ⅛
48⅝	36½	AirPrd	1.20	2.5	11	558	48⅝	47⅞	48	− ⅛
27⅛	13	AirbFrt	.60	2.6	13	162	23½	22½	22¾	− ¼
2	⅞	AlMoa	s		27	114	1⅛	1¼	1⅞	
31⅞	25⅜	AlaP	pfA3.92	13.		14	31	30⅞	30⅞	− ½
7½	6	AlaP	dpf.87	12.		11	7½	7⅜	7½	+ ⅛
73	61½	AlaP	pf 9	13.		z500	72	71½	71½	−1½
78	63½	AlaP	pf9.44	12.		z100	77½	77½	77½	
66	57	AlaP	pf8.16	12.		z650	u66½	66⅛	66½	+ ⅝
66	56	AlaP	pf8.28	12.		z420	u67	66	67	+ 1
13⅛	10⅝	Alagsc	s .92	7.2	8	375	13	12¾	12¾	− ⅛
17⅞	9¼	AlskAir	.14	.8	10	2542	u18⅞	18	18¼	+ ⅛
23⅛	15¼	Alberto	.54	2.3	19	47	23⅛	22⅝	23⅛	+ ⅞
29½	22½	Albtsns	.68	2.4	12	289	29½	28¼	28½	+ ⅛
36⅛	23½	Alcan	1.20	3.9	12	2883	31¼	30½	30⅞	− ½
35¼	27⅛	AlcoStd	1.20	3.6	12	91	33⅞	33½	33⅝	+ ⅛
26¼	17	AlexAlx		1	3.8	2304	u26⅞	25¼	26¼	+ ⅝
28½	18⅛	Alexdr			25	71	22⅞	22¼	22¼	− ⅛
87¼	62⅝	AllgCp	2.06t	2.4	9	380	86	85	85	+ 7

Continued on Page 36

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
7¼	3⅝	ADI	n		21	179	5⅝	5⅛	5⅛	−⅛
3¼	1⅝	ADI	wt			63	2½	2⅜	2½	+⅛
3	¾	AICPh				68	1¾	1¾	1¾	+⅛
15¼	8¾	AL	Lab .20	1.6	11	148	12¼	11⅞	12¼	+⅝
16⅝	12	AMC	n .12	.7	13	42	16⅝	16½	16½	
4⅞	2⅞	AM	Intl			501	3⅝	3⅜	3⅝	
75¼	58	ATTFd	n5.53e	7.4		174	75	74½	74½	−¼
6⅞	2⅞	AcmePr			29	14	5	4⅞	4⅞	−¼
15¾	8½	AcmeU	.32	3.0	12	104	10¾	10¼	10½	+⅛
17	9⅝	Action			42	625	17	16½	16⅞	+⅜
9¼	3⅞	Acton				62	4¾	4½	4⅝	+⅛
3½	5-16	Actn	wt			3	⅜	⅜	⅜	
3⅝	1½	AdmRs			3	6	2⅛	2⅛	2⅛	+⅛
27⅞	15⅞	AdRusl	.14	.5	29	93	27	26¾	26¾	−⅛
24¼	15	Adobe	.28	1.6	11	65	17⅝	17¼	17⅝	−⅛
8⅞	4½	Aeronc			7	102	6½	6⅜	6⅜	+⅛
35⅝	16½	AlliHsp	.44	1.2	15	2	35⅝	35⅝	35⅝	
36¾	25⅜	AlbPb	s		18	85	u36⅝	36¼	36¼	+3
9¾	6	AirExp			9	45	7⅛	7	7⅛	−⅛
14	5⅞	Aircal				280	9½	9	9	−⅛
5¼	2⅞	Alamco			7	21	3⅛	3⅛	3⅛	
75⅝	65½	AlmHo	n			391	75¼	73¾	73¾	+¼
14	6⅞	AlpeW			10	4	9	9	9	
9¾	5⅝	Aloha			1	11	6⅝	6⅝	6⅝	+⅛
19	9½	Alphaln	.05	.4	16	416	12¼	11⅞	12	+⅛
1⅝	½	Altex				183	1½	1½	1½	+⅛
⅜	⅛	Altex	wt			102	¼	¼	¼	
34¼	28½	Alcoa	pf3.75	11		z500	33½	33½	33½	
25⅞	11	AlzaCp			51	325	24⅞	24	24⅛	−⅜
19⅝	8½	Amdahl	.20	1.3	20	2424	16¼	15⅝	16	−⅛
16⅛	6⅞	Amedco	.08	.8		100	10⅝	10⅛	10⅝	+⅛
7¼	4⅞	AmBilt	.15	1.9	6	169	7¾	7½	7¾	+½
9⅝	4	AmCap				23	6	6	6	+⅛
31⅞	12¼	AExp	wt			869	u32¼	30⅝	32¼	+1⅞
7⅞	5⅞	AFruc	A			z5700	7¼	7⅛	7⅛	−⅛
7⅞	5⅞	AFruc	B			z3200	7½	7¼	7¼	−⅛

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Continued on Page 36

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 34

[illegible]

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
31⅞	22¾	Willam	1.40	4.9	6	1347	29⅛	28½	28¾	−⅜
8¼	2	WmEl				516	3¼	3	3¼	+¼
10⅞	6⅛	WlshrO	.10	1.6	15	77	6¼	6⅛	6⅛	
35	25¾	WinDix	1.68	5.1	12	38	33⅝	32	33	−⅜
18¼	7¾	Winnbg	.10e	.5	18	5618	u19⅝	19	19¼	+⅝
14¼	5⅛	Winner			14	64	6¾	6⅝	6⅝	
9½	3¾	WinterJ				24	4½	4½	4½	
33⅝	25¼	WiscEP	2.28	7.2	7	3370	32	31⅝	31⅝	
79	68½	WisE	pf8.90	11		z2040	78⅞	78¼	78¼	+⅛
31	25⅞	WiscPL	2.64	8.8	8	67	29⅞	29⅝	29⅞	+⅛
32⅞	24¼	WiscPS	2.56	8.0	7	73	31⅞	31⅛	31⅞	+⅝
39¼	27⅞	Witco	1.48	3.8	9	486	u39⅝	39	39	+¼

Continued on Page 36

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–when distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

WORLD STOCK MARKETS

AUSTRIA

Jan. 30	Price Schs	+ or —
Creditanstalt	229	.....
Goesse	357	-7
Interunfall	420	+5
Laenderbank	226	.....
Perlmooser	349	-5
Steyr-Daimler	157	-2
Veitscher Mag	298	+13

BELGIUM/LUXEMBOURG

Jan. 30	Price Frs.	+ or —
B.B.L.	1,825	.....
Banq. Int. A. Lux	6,570	+10
Bekaert B.	4,800	.....
Ciment CBR	2,495	-5
Cockerill	254	+1
Delhaize	6,010	.....
EBES	2,835	.....
Electrobel	8,000	-100
Fabrique Nat	2,110	+5
GB Inno BM	2,960	-15
GBL (Brux)	2,000	+5
Gevaert	3,575	-125
Hoboken	5,700	.....
Intercom	2,070	-30
Kredietbank	7,720	+20
Pan Hldgs.	10,600	+200
Petrofina	6,500	-30
Royale Belge	10,050	-50
Soc. Gen. Banq	3,230	-20
Soc. Gen. Belge	1,565	-225
Sofina	7,130	.....
Solvay	3,835	+5
Stanwick Intl.	1,450	.....
Tractionel	3,965	-10
UCB	4,610	-15
Wagon Lits	2,305	-15

DENMARK

Jan. 30	Price Knr %	+ or —
Andelsbanken	290	-3
Baltic Skand	600	.....
CopHandelsbank	293	+7
D. Sukkerfab	535	+5
Danske Bank	290	+4
De Danske Luft.	1,125	+5
East Asiatic	156	-2
Forenede Brygg.	805	.....
Forenede Damp.	64	-1
GNT Hldg	415	+11
I.S.S.B.	385	.....
Jyske Bank	555	+5
Novo Ind.	1,670	+50
Privatbanken	244	-1
Provinsbanken	303	+3
Smidth (F)	253	-1
Sophus Berend	905	-15
Superfos	462	-3

FRANCE

Jan. 30	Price Frs.	+ or —
Emprunt 4½% 1973	1604	-16
Emprunt 7% 1973	7,545	-2
Accor	254	-1
Air Liquide	590	+8
BIC	583	-11
Bongrain	1,660	.....
Bouygues	748	-12
BSN Gervais	2,405	+25
CIT-Alcatel	1,312	-13
Carrefour	1,850	+30
Club Mediter'n	1,202	+13
Cie Bancaire	610	.....
Cofimeg	268	+1.5
Damart	2,300	-21
Darty	1,080	+2
Dumez S.A.	711	-22
Eaux (Cie Gen)	589	-4
Elf-Aquitane	234	+4
Essilor	2,825	.....
Gen. Occidentale	693	-8
Imetal	77.1	-1.1
Lafarge Coppee	404.5	+4.5
L'Oreal	2,395	-49
Legrand	2,086	+6
Maisons Phenix	185.5	-4.5
Matra S.A.	1,821	+2
Michelin B.	797	-3
Midi (Cie)	2,280	+5
Moet-Hennessy	1,955	-1
Moulinex	100.1	-0.9
Nord Est.	78.9	-1.1
Pernod Ricard	715	+8
Perrier	490	+4
Petroles Fra.	252.5	+3.5
Peugeot S.A.	274.9	+3.1
Printemp.Aus.	190	+3
Radiotech	257	+8
Redote	1,221	+2
Rousul Uclaf	1,599	.....
Sefimeg	307	+1.5
SkisRossgnol	2,010	+95
Telemech Elect.	2,295	+27
Thomson CSF	456	-5
Valeo	248	+11

GERMANY

Jan. 30	Price Dm.	+ or —
AEG-Telef.	113	+2.3
Allianz Vers	1065xr	+3
BASF	181.3	+2.8
Bayer	189.7	+1.9
Bayer-Hypo	323	+5
Bayer-Verein	336	.....
BHF-Bank	284	-0.5
BMW	369.5	-0.5
Brown Boveri	192.5	-0.5
Commerzbank	172	+0.8
Cont'l. Gummi	122.8	+2.5
Daimler-Benz	633	+9.5
Degussa	346	+0.5
D'sche Babcock	161.5	+5
Deutsche Bank	398.5	-4
Dresdner Bank	192.6	+1.4
GHH	166	-0.3
Hochtief.	475	-2
Hoechst	184.5	+1.5
Hoesch Werke	104.7	+1.2
Holzmann P.	392	-8
Horten	170	-3
Hussel	290	.....
Karstadt	221.5	-5.5
Kaufhof	211	.....
KHD	248.5xr	+0.5
Kloeckner	75.3	+0.3
Linde	395.5	-3.5
Lufthansa	165	-1
MAN	162	+1
Mannesmann	154.9	+0.8
Mercedes Hld	550	+7
Metallgesell	236	+6
Munech Rueck	1230	-50
Nixdorf	523.5	-5
Porsche	1080	+20
Preussag	246	+2
Rhein West Elect	165	-0.1
Rosenthal	245	.....
Schering	464.5	+9
Siemens	500.5	-5.4
Thyssen	91	+1.2
Varta	175	.....
Veba	172	+1.6
V.E.W.	122	-0.2
Verein-West.	309	-1
Volkswagen	194.5	-0.3

ITALY

Jan. 30	Price Lira	+ or —
Banca Com'le	18,300	+750
Bastogi-IRBS	184	-0.75
Centrale	2,610	+300
Credito Varesino	4,399	-1
Fiat	2,370	-200
Finsider	55.25	-0.75
Generali Assicur.	39,600	+750
Invest	2,925	.....
Italcementi	77,050	-50
La Rinascente	584	+12
Montedison	1,470	+20
Olivetti	6,529	+149
Pirelli Co.	3,975	+50
Pirelli Spa	2,241	+58
Snia BPD	2,635	+6
Toro Assic.	15,600	+199
do. Pref.	11,500	+350

NETHERLANDS

Jan. 30	Price Fls	+ or —
ACF Holding	198	+4
AEGON	162	+4.5
Ahold	215.8	+2.8
AKZO	103.5	+3
ABN	390	+12
AMEV	221.5	+6
AMRO	74.2	+2.2
Bredero Cert.	156	-0.5
Bos Kalis Westm.	13.5	+0.2
Buehrmann-Tet.	85.2	+1.7
Calland Hldgs.	33.5	+0.5
Dordtsche Pet'm	165	+3.8
Elsevier-NDU	114	+3
Fokker	92.2	+6
Gist Brocades	179	+2.5
Heineken	155.8	+3.3
Hoogovens	62.3	+0.8
Int Mueller	42.3	+0.5
KLM	49xc	+1.2
Naarden	48	+0.2
Nat Ned Cert	285	+6
Ned M d Bank	168.5	+6.5
Nedlloyd	160.5	+1.7
Oce Grinten	300.5	+3
Ommeren (Van)	29	+0.7
Pakhoed	69.5	+1
Philips	60	+1
Robeco	74	+1.2
Rodamco	136.7	+2.3
Rolinco	67.5	+1
Rorento	44.2	+0.5
Royal Dutch	186.2	+4.6
Unilever	335.1	+4.1
VMF Stork	143	+1
VNU	218.5	+6
West Utr Bank	106.5	+4.5

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. $ Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

NORWAY

Jan. 30	Price Kroner	+ or —
Bergens Bank	168	-2
Borregaard	390	+12.5
Christiania Bank	162	.....
DenNorske Cred	169	.....
Elkem	145	+6
Kvaerner	196	+8.5
Norsk Data	427	+13
Norsk Hydro	103	+5.5
Storebrand	234	-4

SPAIN

Jan. 30	Price Ptas %	+ or —
Bco Bilbao	323	+3
Bco Central	318	+3
Bco Exterior	204	.....
Bco Hispano	170	+5
Bco Popular	399	+10
Bco Santander	341	+3
Dragados	169	.....
Hidrola	91.5	+0.3
Iberduero	98	-1
Petroleos	176.2	-8.8
Telefonica	122.5	-3.5

SWEDEN

Jan. 30	Price Kronor	+ or —
AGA	360	.....
Alfa-Laval	197	+2
ASEA (Free)	350	+12
Astra (Free)	400	.....
Atlas Copco	111	+1
Cardo (Free)	385	.....
Cellulosa	132	-3
Electrolux B	269	.....
Ericsson	279	+6
Esselte	320	.....
Mo Och Domsjo	280	-4
Pharmacia	204	+3
Saab Scania Free	440	-10
Sandvik	385	+5
Skandia	299	+14
Skan Enski'da	56.5	-0.5
SKF	190	-2
St Kopparbergs	158	+2
Sven Handlesbn.	187	-2
Swedish Match	249	-1
Volvo B (Free)	262	+2

SWITZERLAND

Jan. 30	Price Frs.	+ or —
Alusuisse	803	+5
Bank Leu	3,830	-10
Brown Boveri	1,560	.....
Ciba Geigy	2,800	+20
do. (Part Certs)	2,240	-10
Credit Suisse	2,435	+10
Elektrowatt	3,725	+25
Fischer (Geo.)	735	+31
Hoff-RochePtCts	96,000	+5500
Hoff-Roche 1/10.	9,075	+25
Jacobs Suchard.	6,450	.....
Jelmoli	2,005	+25
Landis & Gyr	1,660	-10
Nestle	6,150	+50
Oer-Buehrle	1,400	+15
Pirelli	275	+5
Sandoz (Br)	7,775	-75
Sandoz (PtCts)	1,290	+25
Schindler (PtCts)	730	+5
Sika	1,125	.....
Surveillance	4,110	.....
Swissair	1,120	+8
Swiss Bank	372	.....
Swiss Reinsce	9,350	-25
Swiss Volksbk	1,500	.....
Union Bank	3,715	-5
Winterthur	3,690	+65
Zurich Ins	20,200	+100

AUSTRALIA

Jan. 30	Price Aust $.	+ or —
ANZ Group	4.65	-0.05
Alliance Oil Dev.	1.06	.....
Ampol Pet.	1.75	.....
Ashton	0.85	+0.02
Aust Cons Ind.	1.98	+0.03
Aust. Guarantee.	2.6	-0.05
Aust. Nat. Inds	2.52	+0.04
Aust. Paper	2.45	+0.03
Bell Group	6.1	+0.2
Bell Res.	4.45	-0.05
Bond Corp Hldgs	1.25	+0.02
Boral	3.29	+0.01
Bougainville	1.98	+0.1
Brambles Inds.	3.65	.....
Bridge Oil	2.12	+0.02
B.H. Prop.	5.18	-0.04
CRA	5.34	+0.06
CSR	2.29	+0.05
Carlton Utd	4.30	.....
Castlemaine Tys.	4.6	+0.05
Coles (C.J.)	4.18	.....
Comalco "A"	2.3	-0.05
Consolidated Pet	0.47	.....
Costain Aust	1.25	.....
Dunlop Aust.	2.12	-0.02
Elders IXL	3.08xc	+0.01
Energ Res.	1.43	.....

AUSTRALIA (continued)

Jan. 30	Price Aust. $	+ or —
Gen Prop Trust	2.2	-0.02
Hardie (James)	3.05	.....
Hartogen Energy	2.15	-0.05
Herald W'yTimes	3.98	-0.05
ICI Aust.	2.06	-0.01
Jimberlana F.P.	0.3	.....
Kia Ora Gold	0.12	+0.01
Land Lease	5.6	+0.15
MIM	2.55	-0.07
Mayne Nickless	3.15	+0.05
Myer Emporium	1.91	-0.02
Nat. Aust. Bank	3.7	-0.04
News	12.5	-0.1
Nicholas Kiwi	5.18	.....
North Bkn Hill.	2.15	+0.1
Oakbridge	0.65	-0.01
Pancont'l	1	-0.05
Pioneer Conc.	1.71	+0.01
Poseidon	2.58	-0.02
Queensland Coal	1.23	-0.01
Reckitt & Coln	3.25	.....
Repco	1.13	-0.03
Santos	6.2	-0.06
Smith (Howard)	3.6	.....
Thos. Natwide	1.9	-0.05
Tooth	5.8	.....
Vamgas	3.15	+0.02
Western Mining	3.25	-0.11
Westpac Bank	3.52xt	-0.02
Woodside Petrol.	0.89	-0.01
Woolworths	3.12	-0.22
Wormald Intl	3.2	-0.02

HONG KONG

Jan. 30	Price H.K.$	+ or —
Bank East Asia	23.7	-0.7
Cheung Kong	13.3	+0.2
China Light	14.4	-0.2
Evergo	1.52	-0.02
Hang Seng Bank	44.5	-0.5
HK Electric	7.8	-0.05
HK Kowloon Wh.	5.55	.....
HK Land	4.25	+0.1
HK Shanghai Bk.	8.9	-0.05
HK Telephone	60.5	-0.5
Hutchison Wpa.	19.7	-0.1
Jardine Math.	8.75	-0.1
New World Dev.	5.4	-0.15
Orient O'seas	2.65	.....
Oseas Trust Bk.	2.75	-0.02
SHK Props	9.05	-0.15
Shell Elect.	2.0	.....
Swire Pac A.	23.4	-0.7
TV—B	5.75	.....
Wheel'k Mard A.	4.17	-0.05
Wheel'k M'time	1.1	.....
World Int. Hldgs.	1.88	-0.04

JAPAN

Jan. 30	Price Yen	+ or —
Ajinomoto	1,110	+10
Alps Electric	2,040	-60
Amada	1,170	.....
Asahi Chem	675	-4
Asahi Glass	868	-2
Bridgestone	639	-6
Canon	1,400	+40
Casio Comp.	1,840	+60
Chugai Pharm.	1,080	+20
Citizen	578	+13
Daiei	635	.....
Dai Nippon Ptg	953	-7
Daiwa House	643	-2
Ebara	340	-5
Eisai	1,700	+40
Fanuc	11,130	-80
Fuji Bank	1,330	+20
Fuji Film	1,750	+30
Fujisawa	1,270	-50
Fujitsu	1,360	-20
Green Cross	1,630	-20
Hasegawa	375	+15
Heiwa Real Est	631	.....
Hitachi	893	+22
Hitachi Credit	1,130	-20
Honda	1,430	+10
House Food	682	+1
Hoya	2,100	-30
Itoh (C)	341	.....
Ito. Yokado	2,550	+20
Iwatsu	1,450	+50
JACCS	330	.....
JAL	5,320	-10
Jusco	725	+15
Kajima	275	.....
Kao Soap	830	+5
Kashiyama	616	+9
Kirin	668	+21
Kokuyo	918	-2
Komatsu	458	.....
Konishiroku	748	+33
Kubota	330	.....
Kumagai	565	.....
Kyoto Ceramic	6,880	+90
Maeda Const	463	.....
Muakino Milling	1,290	-10
Myakita	1,110	+10
Marubeni	306	-2
Marudai	542	+2
Marui	1,030	.....
MEI	1,610	+50
M'ta Elec Works.	651	-7
M'bishi Bank	1,370	.....
M'bishi	525	+4
M'bishi Elec	401	+1
M'bishi Estate	655	+5

JAPAN (continued)

Jan. 30	Price Yen	+ or —
MHI	236	-1
Mitsui Co	326	-2
Mitsui Estate	656	-4
Mitsukoshi	385	.....
NGK Insulators	532	+17
Nihon Cement.	225	-2
Nippon Denso	1,380	-10
Nippon Elect	1,200	-70
Nippon Express	335	-1
Nippon Gakki	2,040	-15
Nippon Kokan.	137	-1
Nippon Oil	850	+3
Nippon Seiko	645	+5
Nippon Shinpan	571	-5
Nippon Steel	145	.....
Nippon Suisan	334	-3
NTV	12,300	-200
Nippon Yusen	241	-5
Nissan Motor	615	-8
Nisshin Flour	485	.....
Nisshin Steel	169	-1
Nomura	922	-12
Olympus	1,290	-100
Orient Leasing	3,160	-50
Pioneer	3,360	-190
Renown	663	-3
Ricoh	890	-5
Sankyo	1,100	-40
Sanyo Elect.	468	+3
Sapporo	405	-5
Sekisui Prefab	568	-8
Seven Eleven	8,990	-60
Sharp	1,080	-20
Shimadzu	798	-8
Shionogi	728	-20
Shiseido	1,100	-10
Sony	4,090	-110
Stanley	911	+35
S'tomo Bank	1,690	-40
S'tomo Elect	909	-1
S'tomo Marine	590	-7
S'tomo Metal	145	-1
Taihei Dengyo	465	.....
Taisei Corp	200	.....
Taisho Pharm.	1,210	-70
Takeda	825	-6
TDK	5,540	+250
Teijin	435	+4
Teikoku	640	-2
Tokyo Marine	735	-12
TBS	830	.....
Tokyo Elect Pwr	1,600	+20
Tokyo Gas	164	-1
Tokyo Sanyo	697	-3
Tokyo Style	758	-1
Tokyu Corp.	329	-1
Toppan Print	874	-1
Toray	438	-3
Toshiba Elect.	416	.....
TOTO	660	-5
Toyo Seikan	930	-11
Toyota Motor	1,360	-10
Victor	2,130	+70
Wacoal	717	-3
Yamaha	726	-23
Yamanouchi	3,650	-120
Yamazaki	659	-2
Yasuda Fire	370	-10
Yokogawa Bdge.	436	.....

SINGAPORE

Jan. 30	Price $	+ or —
Boustead Hldgs.	1.67	-0.01
Cold Storage	2.63	+0.04
DBS	8.05xa	-0.05
Genting	5.45	-0.15
Haw Par. Bros.	2.17	+0.11
Hong Leong Fin	3.18	+0.28
Inchcape Bhd.	2.63	-0.15
Keppel Shipyard	1.6	+0.05
Malay Banking	6.1	+0.05
Malay Utd. Ind	2.38	.....
Multi Purpose.	0.95	-0.02
OCBC	9.1	+0.05
OUB	4.0	+0.02
Public Bank	1.75	-0.02
Sime Darby	1.89	-0.03
Singapore Press.	6.75	-0.01
Straits Trdg	4.46	+0.04
Tat Lee Bk.	2.89	-0.01
UOB	4.54	-0.02

SOUTH AFRICA

Jan. 30	Price Rand	+ or —
Abercom	1.5	+0.1
AE&CI	7.2	-0.05
Anglo Am Coal	42.5	-0.25
Anglo Am Corp.	22.25	.....
Anglo Am Gold	164	-4
Barclays Bank	14	+0.2
Barlow Rand	9.6	-0.05
Buffels	65	-0.5
CNA Gallo	2	.....
Currie Finance	3.1	.....
De Beers	8.8	+0.25
Driefontein	46.5	-0.5
FS Geduld	41.25	-4.25
Gold Fields SA	26.5	-1
Highveld Steel	4.1	.....
Nedbank	9.4	-0.3
OK Bazaars	13.5	.....
Protea Hldgs	1	-0.2
Rembrandt	31.75	.....
Rust Plat	16.4	-0.1
Safren	12.6	.....
Sage Hldgs	6.5	.....
SA Brews	5.8	-0.1
Smith (C.G.)	19.5	.....
Tongaat Hulett	6.2	-0.05
Unisec	4.5	.....

CANADA

TORONTO
Prices at 2.30pm
January 30

Sales	Stock	High	Low	Close	Chng
386	Abti Price	$34¼	33¾	33¾	-¼
900	Conwest A	$8¼	8¼	8¼	+⅛
1400	Coseka R	259	257	257	-3
200	Canron A	$13	13	13	+¼
9230	Crownx	$17¾	17¼	17⅜	+⅛
5150	Czar Res	157	155	155	-2
50568	Deon Dev	298	297	298	+1
1000	Jannock	$12½	12¼	12½	+⅛
2000	Kam Kotia	103	102	102	-1
200	Kelsey H	$37½	37½	37½	-½
350	Kerr Add	$16¼	16½	16¼	+⅛
98798	Labatt	$25⅛	25	25⅛	-⅛
12600	Sulpetro	260	250	260	+15
2600	Sceptre R	225	220	220	
3100	Sydney o	30	29	30	
1200	Tara	$19½	19	19½	+¼
3350	Teck Cor A	$12¼	12	12⅛	+⅛
59137	Teck B f	$12⅜	12½	12⅜	+⅛

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MONTREAL
Closing prices January 25

[illegible]

AMERICAN STOCK EXCHANGE CLOSING PRICES

Continued from Page 35

[illegible]

OVER-THE-COUNTER Nasdaq national market, 2.30pm prices

[illegible]

LONDON
Chief price changes
(in pence unless otherwise indicated)

RISES

Tr. 13 00	£104⅞	+1⅞
Ex. 10¼ 05 (£10pd)	£41	+3⅞
Tr. 2½ IL 01	£99¼	+1¼
Allied-Lyons	181	+8
Aspinall	138	+8
BAT Inds	370	+15
Bank of Scotland	490	+20
Barclays	633	+30
Boots	177	+8
Brit & Co Ships	241	+17
BP	529	+20
Courtaulds	142	+5
De Beers Defd	485	+35
Distillers	303	+10
English Assoc.	100	+15
GEC	208	+8
Habitat Moth	365	+18
Haden	200	+14
Hawker Siddeley	437	+18
ICI	842	+25
Jaguar	303	+19
Lucas Inds	274	+9
Marks & Spencer	137	+7
Microgen	£10	+1
P & O. Defd	405	+13
Rothmans Int'l B.	200	+13
Sainsbury (J)	338	+8
Shell Trans	720	+17
Union Discount	720	+40
Vickers	220	+7

Continued on Page 44

NEW YORK CLOSING PRICES

Continued from Page 35

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LONDON STOCK EXCHANGE

MARKET REPORT

Switch-back continues with values climbing swiftly after two-day descent

Account Dealing Dates

*First Dealings	Option Declara-tions	Last Dealings	Account Day
Jan 14	Jan 24	Jan 25	Feb 4
Jan 28	Feb 7	Feb 8	Feb 18
Feb 11	Feb 21	Feb 22	Mar 4

* "New-time" dealings may take place from 9.30 am two business days earlier.

The London stock market roller coaster continued at breakneck pace yesterday with values climbing swiftly after their rapid two-day descent. A stronger pound, tumbling money-market rates and Opec's *majority decision on a new oil pricing agreement* all contributed to the show of confidence, but there was little doubt that Wall Street's overnight surge to a record level provided the initial stimulus. Gilt-edged stocks led the surge higher to establish late gains of 3 points, while the FT Ordinary share index rebounded 25.5 to 986.7.

Early indications that investors were set to return in force soon proved to be correct. Shortly after the official opening a spate of buying orders forced values higher as some buyers rushed to obtain stock. A while later, news of falling interest rates—the three-month inter-bank level dropped from 14 per cent to 12¾ per cent—and a sharp rally in sterling against both the dollar and Continental currencies, touched off further strong support for bonds and shares.

Mid-session uncertainty over the outcome of the Opec meeting evaporated *following the official communique* and trade, which slowed throughout the afternoon, began to pick up again. Domestic institutional investors were extremely active in the Gilt-edged sector which *strengthened considerably in the* after-hours business, on the back of sterling. The rate moved still higher, bringing fresh rises to Government securities; the recently-exhausted tap, Exchequer 10½ per cent 2005, for *example, moved up from 40¼* at the 3.30 pm close to 41 for a net gain of three points on the day. Other Gilts made similar late progress.

Leading shares also settled at fall in bank base rates from the *the session's best. Hopes of a* current level of 14 per cent were high but a reduction was not expected before next Tuesday's announcement of the January money supply statistics.

Top-quality stocks, and particularly the oil majors, spearheaded the advance but a revived interest was also shown for a host of issues with overseas earnings potential.

Bank of Scotland up

The surprise announcement that Barclays had sold its 34 per cent stake in Bank of Scotland to Standard Life for £165m brought sharp gains to both banking groups; Barclays soared 30 to 633p and Bank of Scotland touched 505p before closing 20 higher on balance at 490p. The news revitalised other clearers and **Lloyds** ended 15 better at 585p. **NatWest** were 10 dearer at 658p, but **Midland** edged forward only a few pence to 338p. Revived speculation concerning Lloyds' 21.3 per cent in Royal **Bank of Scotland** attracted renewed support of the latter, *which closed 6 up at 250p.* **Standard Chartered** rallied 18 to 513p. Elsewhere, **Union** jumped 40 to 720p in response to impressive annual results and other Discount Houses followed the trend. **Cater Allen** put on 25 to 490p. Among merchant banks, **Wintrust** improved 5 to 260p and **English Association** gained 15 to 100p following their respective *interim statements.*

Breweries staged a good recovery. **Allied Lyons**, helped by details of a susidiary's acquisition, rallied 8 to 181p, while **Bass** closed the same amount better at 500p. Elsewhere, *Distillers picked up 10 at* 303p.

The Building sector, under considerable pressure recently because of the rise in borrowing rates, staged a tentative recovery. **Blue Circle**, down 25 *over the last two trading* sessions, hardened 5 to 490p, while **RMC** improved 4 to 384p and **Redland** added 3 to 279p. **Tarmac** touched 500p prior to closing 8 higher at 494p aided by news of the possible hive-off *of its oil and gas interests.* **Countryside** slipped 4 to 210p after Press comment highlighting the company's high gearing. Elsewhere, **Taylor Woodrow** rose 5 to 360p helped by news of a £19.7m road building contract. **British Dredging**, up 4 at 61p, attracted buyers following a newsletter recommendation. **George Dew** rose 8 to 70p.

ICI opened 13 higher at 830p in the wake of Wall Street's overnight surge and moved *steadily forward on a combination* of domestic and overesas buying to touch a 1984-85 peak of 847p before drifting off on sporadic U.S. selling to close a net 25 up at 842p. Among other Chemicals, **Yorkshire** gained 4 *to 73p on gossip of imminent bid* developments. **Wardle Storeys** moved up 7 to 218p.

Stores rally

Sold heavily over the previous *two sessions, the leading Stores* staged a good rally. Buyers reappeared for **Marks and Spencer**, up 7 at 127p, **Gussies "A"** 9 higher at 366p and for **Habitat** which picked up 10 to 366p. **Burton** moved up 11 to 451p and **Woolworth** 14 to 597p, while **Debenhams** improved 6 to 202p. Elsewhere, **Foster Bros** put on 8 to 120p as did **MFI**, to 224p, while **Harris Queensway** added 6 at 196p. **W. H. Smith "A,"** *recently favoured for a consortium bid,* dropped to 190p on profit-taking in the wake of satisfactory interim results before rallying to finish only a couple of pence easier on balance at 198p. Among Shoe concerns, **Stylo**, currently in receipt of an unwelcome partial tender offer from British Land, advanced 10 to 182p.

Leading Electricals participated in the revival. **British Telecom** regained 2½ at 123½p, while **Racal**, *208p, and* **Plessey**, 184p, edged up 4 apiece. **GEC**, still reflecting its huge cash resources, were noteworthy for a further gain of 8 to 208p. Elsewhere, **Microgen** featured again with a fresh jump of ⅞ to £10 in *response to the annual* figures. Assisted by a broker's recommendation, **First Castle** put on 7 to 124p. **Cable and Wireless** rallied 11 to 509p and **Pressac** 10 to 138p, while **Chloride** rose 5 to 35p on news that Dunlop Olympic of Australia had bought a 14.9 per cent stake in the company.

Buyers returned for the Engineering leaders. **Hawker**, in particular, encountered a good demand and closed at around *the day's best with a rise of 18* to 437p. **Vickers** picked up 7 to 220p and **GKN** a like amount at 199p, while **TI** were 8 to the good at 234p. **Ransomes Sims** met with fresh support and put on 13 to 503p. Speculative *demand lifted* **Haden** *14 to 200p* and **Spear and Jackson** 4 to 156p. **F. H. Lloyd** improved 2 to 52p on news of Suter's increased stake while **Butterfield-Harvey** hardened a penny to 26p following the disclosure that talks *were taking place regarding an* improved offer for the company. **Davy Corporation** rallied 5 to 88p and **Delta** picked up 6 to 112p. Dealings were suspended in **Redman Heenan**, at 15p, pending restructuring details.

Current American favourite **J. Sainsbury** continued to trade actively and, helped by fresh U.S. demand, touched 338p prior to closing a net 6 up at 336p. Other leading Foods regained composure. **Cadbury Schweppes** *rallied 4 to 164p and* **Rowntree Mackintosh** rose 10 to 352p. **Tate and Lyle** moved up 7 to 460p, but **S. and W. Berisford** remained an unsettled market because of its high borrowing costs and, after touching 172p, *drifted back to close unchanged* at 169p. Elsewhere, renewed support lifted **Hazlewood** ⅛ to £10 and **Avana** 8 to 583p. **Albert Fisher** firmed 2 to 124p; Equity Capital For Industry has placed 979,992 shares, representing half its holding in the company, with institutional investors.

Hotels joined the upturn. **Grand Metropolitan** rose 7 to 295p and **Trusthouse Forte** improved 4 to 150p.

Rank Org. good again

The miscellaneous industrial leaders staged a useful revival. **Reed International**, particularly hard hit in the recent shake-out, rallied smartly to close 14 higher at 574p, while **BTR** made a more modest recovery at 650p, up 8. **Boots** took a distinct turn for the better and put on 8 to 177p. Rises of around 7 were recorded in **Beecham**, 375p, **Metal Box**, 293p, and **BOC Group**, 293p.

Elsewhere, **Rank Organisation** advanced to 344p on bullish reports emanating from an analysts' meeting with the company before settling at 340p for a rise of 22 on balance. Companies with overseas earn*ings potential return to favour,* **Christies International** rising 15 to 495p and **Cookson** a like amount to 535p. Speculative demand revived *in LCP, up 6* at 121p amid talk of a possible offer from a U.S. concern. Hopes of further bid developments left **Hoskins and Horton** 5 dearer at 335p; **London and Midland** improved 7 to 198p, while **Scottish Heritable Trust** held at 66p. **Powell Duffryn** continued to reflect the lapsing of the Hanson offer and gave up 8 *more at 387p for a two-day fall* of 36.

Jaguar revived strongly in Motors, ralying 19 to 303p as buyers warmed to the prospect of substantial profits emanating from exports to the U.S. **Lucas**, *reflecting revived* takeover gossip, rebounded 9 to 274p.

Haynes Publishing stood out in Newspapers, rising 30 more to 340p on further consideration of the excellent half-year results. **Associated Newspapers** put on 25 *to 690p.*

Properties gave a steadier performance with the leaders edging forward on light support. **Land Securities** improved 4 to 294p and **MEPC** hardened a penny to 313p. Elsewhere, **Stock Conversion** *rose 8 to 428p, but recently-*firm **London and Edinburgh** encountered profit-taking and slipped 6 to 226p. **Marler Estates** put on 7 for a two-day gain of 14 to 145p on speculative buying, while **Imry** moved up 10 to 275p *following a £4.25m property* acquisition.

P & O Deferred to favour, rising steadily to close 15 up at the day's best of 405p. Elsewhere in Shippings, **British and Commonwealth** advanced 17 to 241p, while **Caledonia Investments** put on 12 to 230p in sympathy. **Ocean Transport** revived 10 to 147p and **Milford Docks** continued to reflect hopes of a consortium bid, touching 75p before closing 2 up on balance at 70p.

Courtaulds, 5 higher at 142p in response to Press comment, led the recovery in Textiles. **Illingworth Morris**, also the subject of newspaper comment, rose 4 to 57p with the "A" shares closing the same amount up at 56p. *Coats Patons added 6 to 152p and* **Nottingham Manufacturing** gained 10 to 248p. **Nova (Jersey) Knit** improved 3 to 30p awaiting today's interim results.

In Tobaccos, **Bats** attracted institutional support and closed 15 better at 370p, while **Rothmans International** were also favoured at 200p, up13. **Imps** hardened a couple of pence to 192p.

Shell at 1984/5 high

Leading oil shares made rapid progress at the outset and continued to gain ground throughout the session. OPEC's apparent agreement on price differentials and a subsequent advance by North Sea oil spot prices gave the market an added boost around miday as did sizeable U.S. buying interest after-hours.

The late U.S. support was mainly directed towards **BP**, which closed 20 higher at 520p, and **Shell** which settled 17 firmer at a year's best of 720. **LASMO** put on 13 to 341p, after 345p. **Britoil** ended the day 10 better at 210p, after 213p, while similar gains were recorded by **Tricentrol**, 195p and **Ultramar**, 205p.

Elsewhere, **Falcon Resources** responded to encouraging exploration news in the U.S., advancing 15 to a year's best of 340p.

In a firmer Overseas Traders sector, **Lonrho** improved a few pence to 179p awaiting today's preliminary results. **James Finlay** added 5 to 138p and **Gill and Duffus** 7 at 163p.

Golds sharply higher

A sharp rise in the rand rate against the dollar following Tuesday's moves by the South African Reserve Bank to bolster the currency led to renewed strength in Sout hAfrican golds and related issues.

A stock shortage coupled with the absence of any Cape selling led to persistent local and Continental buying interest in Golds which gained ground throughout the session and closed around the day's best levels. Bullion, however, failed to give much of a lead to the market and moved in a narrow range prior to closing a net 50 cents up at $303.25 an *ounce.*

The Gold Mines index mirrored the change of sentiment in the sector following the determined moves to protect the South African currency and posted an 18.9 improvement at 465.0—a rise *of 25.5 over the past three trading days.*

The Financial sector provided *a brace of firm features, most* notably **De Beers**, which raced ahead on persistent and often heavy buying interest from the *U.S., to close a further 35 higher* at 405p. **Minorco**, the subject of considerable American interest in recent weeks, jumped 30 to 770p.

Rio Tinto-Zinc closed 15 to the good at 648p, and **Consolidated** *Gold Fields rose 10 to 493p,* the later following the good gains in Golds.

Business in Traded Options contracted with 11,485 deals done, comprising 7,573 calls and 3,912 puts. Once again, **British Telecom** attracted a good business with 1,554 calls arranged out of a total of 2,082, while the FT-SE 100 accounted for 1,339 contracts, most of which were puts.

FINANCIAL TIMES STOCK INDICES

	Jan. 30	Jan. 29	Jan. 28	Jan. 25	Jan. 24	Jan. 23	year ago
Government Secs.	79.80	78.40	78.02	79.62	79.52	80.00	82.98
Fixed Interest	85.81	82.48	82.17	84.14	84.02	84.24	87.11
Ordinary	986.7	961.2	977.9	1,002.8	991.7	1003.7	829.2
Gold Mines	465.0	446.1	440.3	459.5	442.9	454.3	570.2
Ord. Div. Yield	4.38	4.48	4.41	4.29	4.33	4.30	4.37
Earnings, Yld.% (full)	10.94	11.19	11.03	10.72	10.84	10.74	9.25
P/E Ratio (net) (*)	10.97	10.73	10.89	11.20	11.08	11.18	13.24
Total bargains (Est.)	26,911	33,199	32,419	31,486	33,447	28,533	27,002
Equity turnover £m.	—	431.45	483.13	473.14	582.65	578.45	348.79
Equity bargains	—	25,533	28,771	28,101	29,367	30,119	22,709
Shares traded (ml)	—	212.1	233.3	254.8	294.8	279.4	167.6

10 am 976.8. 11 am 978.4. Noon 983.8. 1 pm 985.8.
2 pm 985.6. 3 pm 985.1.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ordinary 1/7/35. *Gold Mines 12/9/55. SE Activity 1974.*

Latest Index 01-246 8026.
Nil=10.63.

HIGHS AND LOWS — S.E. ACTIVITY

—	1984/85 High	1984/85 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Sec.	83.77 (9/1/84)	75.72 (30/7/84)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	87.48 (14/3/84)	80.43 (30/7/84)	150.4 (28/11/47)	50.53 (3/1/75)
Ordinary	1024.5 (22/1/85)	755.3 (25/7/84)	1024.5 (22/1/85)	49.4 (26/6/40)
Gold Mines	711.7 (9/3/84)	459.5 (25/1/85)	734.7 (15/2/83)	43.5 (26/10/71)

	Jan. 30	Jan. 29
Daily		
Gilt Edged Bargains	200.6	183.3
Equities Bargains	152.5	186.4
Value	872.1	976.5
5day Average		
Gilt Edged Bargains	170.4	167.5
Equities Bargains	181.3	195.1
Value	1030.3	1097.6

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS. Figures in parentheses show number of stocks per section	Wed Jan 30 1985 Index No.	Day's Change %	Est. Earnings Yield% (Max.)	Gross Div. Yield% (ACT at 30%)	Est. P/E Ratio (Net)	Tues Jan 29 Index No.	Mon Jan 28 Index No.	Fri Jan 25 Index No.	Thur Jan 24 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (207)	549.82	+2.0	9.67	3.95	12.94	539.06	543.76	556.72	552.59	489.92
2	Building Materials (23)	490.97	+1.1	13.07	5.07	9.48	485.82	493.13	506.18	503.55	477.83
3	*Contracting, Construction (30)*	718.52	+1.3	13.46	5.49	9.51	709.49	725.76	740.67	738.31	738.45
4	Electricals (15)	1609.97	+1.8	10.08	4.64	12.53	1581.34	1602.14	1633.12	1613.55	1771.15
5	Electronics (36)	1801.61	+2.3	8.17	2.70	15.78	1761.19	1744.82	1792.68	1785.85	1651.95
6	Mechanical Engineering (60)	289.72	+2.3	11.55	5.02	10.33	283.26	289.97	295.01	291.96	296.64
8	Metals and Metal Forming (8)	174.54	+2.3	12.96	7.43	9.53	170.67	174.31	178.80	178.67	197.40
9	Motors (18)	157.17	+3.9	11.19	4.81	11.15	151.26	154.90	159.39	159.48	136.63
10	Other Industrial Materials (17)	897.55	+1.5	5.63	3.23	22.33	884.56	898.43	916.75	900.11	623.85
21	CONSUMER GROUP (179)	633.59	+2.2	9.17	3.76	13.19	619.84	632.50	644.09	637.56	486.93
22	Brewers and Distillers (23)	576.82	+2.4	11.74	4.64	10.48	563.40	576.99	591.61	579.88	471.31
25	Food Manufacturing (20)	492.36	+1.4	11.94	4.71	10.49	485.49	490.82	501.42	500.67	393.99
26	Food Retailing (12)	1496.17	+2.2	6.39	2.36	20.85	1464.11	1484.05	1485.29	1477.66	1098.41
27	*Health and Household Products (9)*	1048.51	+1.3	5.43	2.53	21.61	1034.87	1046.82	1072.09	1067.72	746.85
29	Leisure (23)	679.77	+0.8	8.28	4.81	15.60	674.67	688.99	699.11	694.49	647.30
32	Newspapers, Publishing (11)	1653.25	+1.3	7.21	4.46	17.66	1632.53	1644.78	1677.21	1660.72	1217.29
33	Packaging and Paper (14)	314.08	+2.2	11.77	4.66	9.89	307.19	311.63	319.60	315.37	1241.42
34	*Stores (45)*	546.58	+2.9	7.41	3.41	16.36	531.42	548.38	564.19	554.78	434.56
35	Textiles (19)	316.17	+3.0	12.61	4.45	9.14	306.86	309.76	316.96	314.19	284.78
36	Tobaccos (3)	958.94	+3.8	13.07	4.80	8.53	924.25	939.65	942.66	935.59	560.71
41	OTHER GROUPS (97)	665.74	+1.8	8.93	3.94	14.22	653.75	662.59	674.89	670.97	439.93
42	Chemicals (17)	807.83	+2.4	11.12	4.85	11.47	789.22	798.17	807.08	799.76	625.72
44	Office Equipment (4)	175.88	+5.6	8.42	4.75	14.34	166.58	163.84	170.74	170.44	134.75
45	Shipping and Transport (13)	1130.26	+3.5	7.65	4.31	16.70	1092.15	1102.24	1126.69	1109.33	870.36
46	*Miscellaneous (61)*	832.26	+1.4	7.82	3.36	15.54	820.91	831.38	853.25	846.38	569.69
48	Telephone Networks (2)	775.04	+1.4	8.64	4.15	15.11	764.37	777.84	790.11	788.91	0.0
49	INDUSTRIAL GROUP (483)	628.95	+2.1	9.24	3.85	13.37	616.26	625.37	638.25	632.96	486.07
51	Oils (17)	1144.03	+3.4	15.24	6.57	8.11	1106.02	1116.16	1138.31	1117.83	1064.85
59	500 SHARE INDEX (500)	672.09	+2.2	10.06	4.22	12.29	657.33	666.55	680.21	673.69	534.62
61	FINANCIAL GROUP (117)	448.47	+1.5	—	4.92	—	441.69	445.31	452.06	445.05	391.20
62	Banks (6)	464.47	+2.9	18.34	6.08	6.90	451.60	456.57	460.65	451.65	414.33
65	*Insurance (Life) (9)*	589.35	+0.8	—	4.60	—	584.80	591.77	599.99	594.31	545.36
66	Insurance (Composite) (7)	318.55	+0.6	—	5.86	—	316.61	318.09	324.19	316.74	260.72
67	Insurance (Brokers) (6)	1140.11	-0.1	6.75	3.84	20.54	1141.11	1125.21	1140.33	1118.65	664.82
68	Merchant Banks (12)	238.34	+2.2	—	4.50	—	233.21	232.38	238.92	238.50	248.28
69	Property (52)	627.98	+1.3	5.40	3.55	24.66	620.21	624.84	635.93	629.70	543.48
70	Other Financial (25)	287.35	+2.3	9.15	5.41	13.22	280.88	288.34	292.51	287.70	282.12
71	Investment Trusts (105)	604.56	+1.0	—	3.22	—	598.84	599.32	605.35	601.24	510.87
81	Mining Finance (4)	292.58	+2.2	10.09	5.18	12.56	286.34	286.40	290.57	291.05	315.22
91	Overseas Traders (14)	671.09	+0.7	8.73	5.79	14.00	666.47	667.33	679.19	675.57	567.13
99	ALL-SHARE INDEX (740)	613.69	+2.1	—	4.38	—	601.35	608.62	620.20	613.93	500.51
		Index No.	Day's Change	Day's High	Day's Low						
	FT-SE 100 SHARE INDEX	1277.3	+28.0	1278.7	1265.8	—	1249.3	1265.8	1288.0	1274.7	

FIXED INTEREST

	PRICE INDICES	Wed Jan 30	Day's change %	Tues Jan 29	xd adj. today	xd adj. 1985 to date
	British Government					
1	5 years	115.91	+1.13	114.62	—	1.16
2	5-15 years	126.06	+1.73	123.92	—	0.98
3	Over 15 years	132.17	+1.60	130.08	—	0.00
4	Irredeemables	145.07	+2.40	141.67	—	0.00
5	All stocks	125.28	+1.50	123.35	—	0.92
6	Debentures & Loans	105.71	+1.17	104.49	—	0.15
7	Preference	76.21	+1.03	75.44	—	0.30
	BRITISH GOVERNMENT INDEX-LINKED STOCKS					
8	All stocks	108.49	+1.04	107.38	—	0.18

	AVERAGE GROSS REDEMPTION YIELDS		Wed Jan 30	Tues Jan 29	Year ago (approx.)
	British Government				
1	Low	5 years	11.14	11.54	9.72
2	Coupons	15 years	10.87	11.12	10.09
3		25 years	10.49	10.72	9.71
4	Medium	5 years	11.80	12.26	10.98
5	Coupons	15 years	11.34	11.58	10.69
6		25 years	10.79	10.97	10.06
7	High	5 years	11.90	12.36	11.16
8	Coupons	15 years	11.51	11.73	10.85
9		25 years	10.86	11.05	10.17
10	Irredeemables†		10.20	10.45	9.70
11	Debs &	5 years	12.33	12.63	11.61
12	Loans	15 years	12.20	12.37	11.56
13		25 years	12.20	12.37	11.56
14	Preference†		13.00	13.14	12.13
15	Inflation rate	5%	3.42	3.49	3.22
16		10%	3.25	3.30	3.04

†Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

EUROPEAN OPTIONS EXCHANGE

Series		Feb. Vol.	Feb. Last	May Vol.	May Last	Aug. Vol.	Aug. Last	Stock
GOLD C	$300	5	6.50	11	16.10	—	—	$303.50
GOLD C	$320	—	—	53	6	—	—	"
GOLD P	$340	—	—	—	—	25	5	"
GOLD P	$350	2	3.80 A	23	9	18	12.50	"
[illegible]								

TOTAL VOLUME IN CONTRACTS: 34,321.
A=Ask B=Bid C=Call P=Put

RECENT ISSUES

EQUITIES

Issue price p	Amount paid up	Latest Renunc. date	1984/85 High	1984/85 Low	Stock	Closing price p	+or	Net Div.	Times covered	Gross Yield	P/E Ratio
[illegible]											

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1984/85 High	1984/85 Low	Stock	Closing price £	+or
[illegible]							

"RIGHTS" OFFERS

Issue price p	Amount paid up	Latest Renunc. date	1984/85 High	1984/85 Low	Stock	Closing price p	+or
[illegible]							

Renunciation date usually last day for dealing free of stamp duty. *b* Figures based on prospectus estimates. *d* Dividend rate paid or payable on part of capital, cover based on dividend on full capital. *g* Assumed dividend and yield. *u* Forecast dividend cover based on prervious year's earnings. F Dividend and yield based on prospectus or other official estimates for 1985. H Dividend and yield based on prospectus or other official estimates for 1984. Q Gross. *p Pence unless otherwise indicated.* ¶ *Issued by tender.* ‖ *Offered holders of* ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or takeover. ■ Allotment letters or fully paid. ‖‖ Introduction. ✠ Unlisted Securities Market. § Placing price T Figures assumed. †† Official London Listing. ‡‡ Dealt in under Rule 535(3). † Comprising 100 Prf. and one Ptg. share. ‡ Comprising one 11 per cent Cnv.Uns.Ln. stk. and one Warrent.

OPTIONS

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Jan 21	Feb 1	April 25	May 7
Feb 4	Feb 15	May 9	May 20
Feb 18	March 1	May 30	June 10

For rate indications see end of Share Information Service

Stocks to attract money for the call included Premier Consolidated, Amstrad, Yorkshire Chemical, W. H. Smith A, Wolverhampton Steam Laundry, BSG International, C. H. Bailey, Bryson Oil and Gas, Bronz Engineering, C. W. Walker, Polly Peck, Eglinton Oil, Lonrho, Youghal Carpets, Petranol, Falcon Resources, Midland Bank, Mnemos, J. Brown, Cronite, Rockware, *Spear and Jackson, Sun Oil* Royalties, Meekathara, APC, Gill and Duffus, Travis and Arnold, Adwest, Inter-City, LCP, F. H. Lloyd, British Telecom, Haden, and Turner and Newall. No puts or double options were *reported.*

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	103	—	1
Corpns Dom & Foreign Bonds	53	1	79
Industrials	573	134	741
Financial & Props	257	51	237
Oils	44	19	61
Plantations	5	6	6
Mines	83	14	81
Others	156	8	48
Totals	1,274	233	1,194

NEW HIGHS AND LOWS FOR 1984/5

NEW HIGHS (139)

BRITISH FUNDS (2)
AMERICANS (34)
CANADIANS (6)
BANKS (3)
BUILDINGS (1)
CHEMICALS (6)
ELECTRICALS (9)
ENGINEERING (5)
FOODS (1)
INDUSTRIALS (15)
INSURANCE (2)
MOTORS (1)
NEWSPAPERS (2)
PAPER (3)
PROPERTY (4)
SHIPPING (3)
SHOES (1)
TOBACCOS (1)
TRUSTS (34)
OILS (4)
MINES (2)

NEW LOWS (7)

BANKS (1)
English Assoc.
BUILDINGS (1)
Douglas (Robt. M.)
STORES (1)
Goldberg (A.)
INDUSTRIALS (1)
Sharna Ware
LEISURE (1)
Radio Clyde N-V
NEWSPAPERS (1)
Home Counties Hldgs.
OILS (1)
Intl. Atlantis Resrcs.

ACTIVE STOCKS

Above average activity was noted in *the following stocks yesterday.*

BTR	650	+8
BP	520	+20
Chloride	35	+5
Falcon Resources	340	+15
GKN	199	+7
Hanson Trust	219	+3
Lucas Industries	274	+9
Rank Organisation	340	+22
Sainsbury (J.)	336	+6
Smith (W. H.) "A"	198	−2
Tarmac	494	+8
Ultramar	205	+10

TUESDAY'S ACTIVE STOCKS

Based on *bargains recorded in Stock* Exchange Official List.

Stock	No. of changes	Tues. close	Day's change
Brit'nia Arrow	24	98	−11
GUS "A"	22	894	−26
Powell Duffryn	22	395	−28
BTR	21	642	−12
Burton	21	440	−21
Cable & Wire.	16	498	−16
Microgen	16	910	+100
BAT Inds.	15	365	−5
Boots	15	169	−4
Rank Org.	15	318	+8
Dixons Group	14	555	−17
Hanson Trust	14	216	−1
GEC	13	200	+5
ICI	13	*817*	−8

LONDON TRADED OPTIONS

Option		Calls Apr.	Calls Jly.	Calls Oct.	Puts Apr.	Puts Jly.	Puts Oct.
B.P. (*520)	390	135	—	—	1½	—	—
	420	105	—	—	3	—	—
	460	67	75	82	8	14	17
	500	38	47	55	18	28	33
	550	16	24	32	50	55	57
Cons. Gold (*492)	460	52	65	75	9	14	22
	500	30	40	55	34	36	45
	550	9	20	28	75	76	82
[illegible]							

Option		Calls Feb.	Calls May.	Calls Aug.	Puts Feb.	Puts May.	Puts Aug.
Imperial Gp. (*191)	160	33	34	39	1	3	4
	180	14	20	25	3	9	14
	200	5	13	18½	13	19	23
	220	2½	7	11	31	34	36
[illegible]							

Jan. 30. Total contracts 11,485. Calls 7,573. Puts 3,912
* Underlying security price.

LONDON SHARE SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1984-85 High	Low	Stock	Price £	+ or -	Yield Int.	Red.
102¼	99$\frac{21}{32}$	Exch. 12pc Cnv. '85	99$\frac{25}{32}$	+$\frac{1}{16}$	12.02	12.72
97¼	93$\frac{3}{16}$	Treas 3pc 1985	97$\frac{7}{16}$	+$\frac{1}{16}$	3.08	11.77
102⅝	99¼	Treas 11½pc 1985	99$\frac{7}{16}$		11.57	12.86
99¼	96$\frac{5}{16}$	Treas 6½pcCnv '85	98$\frac{1}{2}$xd	+½	3.90	11.83

Five to Fifteen Years

Over Fifteen Years

Undated

Index-Linked

INT. BANK AND O'SEAS GOVT STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS

Building Societies

Public Board and Ind.

Financial

FOREIGN BONDS & RAILS

AMERICANS

AMERICANS—Cont.

CANADIANS

BANKS, HP & LEASING

Hire Purchase, Leasing, etc.

BEERS, WINES & SPIRITS

BEERS, WINES—Cont.

1984-85 High	Low	Stock	Price	+ or -	Div Net	C'vr	Y'ld Gr's	P/E
280	220	Young Brew 'A' 50p	240		†5.5	2.0	3.3	21.4
180	120	Do Non-V 50p	160		†5.5	2.0	4.9	14.3

BUILDING, TIMBER, ROADS

1984-85 High	Low	Stock	Price	+ or -	Div Net	C'vr	Y'ld Gr's	P/E
262	186	AMEC 50p	256	+2	†10.0	2.4	5.6	9.2
202	157	Aberdeen Const.	194		†6.5	2.7	4.9	10.0
200	164	♦Accord Supplies 5p	194	-2	u2.0	2.5	1.5	37.9
31	15	Allied Plant 5p	22	-1	—	—	—	—
35	22	♦Armitage Hldgs	22		—	—	—	—
77	38	Arncliffe 10p	45	-1	$2.64	2.1	8	6.7
111	91	Aberthaw	90	+1	3.5	1.8	5.6	15.8
337	232	BPB Ind. 50p	258	+5	10.0	3.5	3.9	9.3
220	124	Baggeridge Brick	214	+2	6.25	3.7	4.2	9.2
45	27	Bailey (Ben) 10p	27	-1	1.5	2.9	9.5	4.9
82	20	Baldwin (H.J.) 10p	30		—	—	—	11.9
138	72	Barratt Dev. 10p	74	+2	7.65	1.7	14.7	4.8
162	115	Bellway	131	+3	7.0	2.0	7.5	8.7
77	55	Benford M. 10p	66		3.75	1.2	8.1	15.0
153	96	♦Berkeley Group	150		u3.6	2.5	3.4	16.0
63	45	Bett Bros. 20p	60		3.1	♦	7.4	♦
606	349	Blockleys 20p	565		121.0	2.5	5.3	14.5
529	355	Blue Circle £1	470	+5	19.0	2.9	5.5	7.9
216	184	Breedon Lime	202		8.4	1.3	5.9	18.0
69	46	Brockhouse Dudley 10p	65		3.2	1.7	7.0	11.8
166	66	BB & EA	140		†3.0	4.8	3.1	8.2
70	47	Cnt. Dredging	61	+4	2.6	2.7	4.7	10.5

CHEMICALS, PLASTICS

DRAPERY AND STORES

DRAPERY & STORES—Cont.

ELECTRICALS

ENGINEERING

ENGINEERING—Continued

FOOD, GROCERIES, ETC

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

INSURANCES

LEISURE

LEISURE—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc

OIL AND GAS

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Diamond and Platinum

Central African

MINES—Continued

Finance

Australians

Tins

Miscellaneous

High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
75	31	♦Anglo Utd. Dev.	44	+2	—	—	—
410	210	♦Centennial Min's.	275	......	—	—	—
175	70	♦Colby Res Corp.	70	......	—	—	—
955	500	Cons. Murch. 10c	500	......	†Q100c	1.4	8.3
37	25	♦Emex Ing. Ir10p	34	......	—	—	—
252	150	Hampton Areas 10p	185	+3	3.75	2.1	2.7
225	140	♦Highwood Res.	165	......	—	—	—
£24½	£16	Homestake Mining $1	£19⅝	+1⅛	Q20c	—	0.9
295	135	♦McFinley Red Lake	195	–5	—	—	—
240	101	♦Musto Explorations	235	+5	—	—	—
55	23	♦New Saban Res C$1	25	–1	—	—	—
365	220	Northgate C$1	300	+5	—	—	—
718	500	RTZ	648	+15	†18.0	2.7	4.0
£156½	£113½	Do. 9½pcLn '95-2000	£140	+5½	Q9½%	35.4	6.8
£12½	850	♦Taza Expln $1	£12½	+¼	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsetable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap Stock".
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † *Interim since increased or resumed.*
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♥ Not officially UK listed; dealings permitted under Rule 535(4)(a).
- ♣ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 535(3).
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ *Merger bid or reorganisation in progress.*
- ♦ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- ♦ Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ *Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.*
- ¶ No par value.

B.Fr. Belgian Francs. Fr. French Francs. ‡‡ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other offer estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on *dividend on full capital.* e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j *Payment from capital sources.* k *Kenya.* m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s *Dividend and yield exclude a special payment.* t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u *Forecast dividend: cover based on previous year's earnings.* v Subject to local tax. x Dividend cover in excess of 100 times. y *Dividend and yield based on merger terms.* z *Dividend and yield include a special payment:* Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F *Dividend and yield based on prospectus or other official estimates for 1984-85.* G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or official estimates for 1984. M *Dividend and yield based on prospectus or other official estimates for 1985-86.* N Dividend and yield based on prospectus or other official estimates for 1985. P *Figures based on prospectus or other official estimates for 1983.* Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL & IRISH STOCKS

The following is a selection of Regional and Irish stocks, the latter being quoted in Irish currency.

Albany Inv 20p	90	......	Arnott	147	+1
Craig & Rose £1	£11	......	CPI Hldgs	57	+2
Finlay Pkg. 5p	61	......	*Carroll Inds.*	99	......
Higsons Brew	108	......	Dublin Gas	65	......
Holt (Jos) 25p	840	......	Hall (R. & H.)	43	+1
IoM Stm. £1	127	–3	Heiton Hldgs.	16	......
IRISH			Irish Ropes	35	......
Exch. 12% 1985	£99	......	Jacob (W.& R.)	65	+5
Nat. 9¾% 84/89	£84	......	TMG	75	......
Fin. 13% 97/02	£89⅝	......	Unidare	70	......

OPTIONS — 3-month call rates

Industrials	p				
Allied-Lyons	15	GKN	16	Turner Newall	9
BAT	30	Hanson Tst.	22	Unilever	80
BOC Grp.	24	Hawker Sidd	38	Vickers	18
BSR	15	Hse of Fraser	28	**Property**	
Babcock	13	ICI	58	Brit Land	14
Barclays Bank	42	'Imps'	14	Cap Counties	18
Beecham	30	Jaguar	18	Land Secs	24
Blue Circle	46	Ladbroke	20	MEPC	30
Boots	18	Legal & Gen	42	Peachey	24
Bowaters	36	Lex Service	32	Samuel Props	14
Brit Aerospace	34	Lloyds Bank	42	Sterling Guar.	5½
Brit. Telecom	11	Lucas Inds.	24	**Oils**	
Brown (J.)	5	Marks & Spcr	10		
Burton Ord	32	Midland Bk	33	Brist. Oil & Min	4½
Cadburys	14	NEI	9	Brit Petroleum	30
Comm Union	15	Nat West Bk	54	Burmah Oil	19
Courtaulds	11	P & O Dfd	24	Charterhall	6
Debenhams	19	Plessey	20	Premier	6
Distillers	24	Polly Peck	25	Shell	55
Dunlop	5	Racal Elect	24	Tricentrol	22
FNFC	7	RHM	10	Ultramar	22
Gen Accident	42	Rank Org Ord	24	**Mines**	
Gen Electric	20	Reed Intnl	50		
Glaxo	90	Sears	7	Charter Cons	21
Grand Met	26	TI	16	Cons Gold	42
GUS 'A'	55	Tesco	8	Lonrho	14
Guardian	58	Thorn EMI	42	Rio T Zinc	60
		Trust Houses	12		

A selection of Options traded is given on the London Stock Exchange Report page.

"Recent Issues" and "Rights" Page 43

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £800 per annum for each security.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

[illegible]

INSURANCES

[illegible]

F.T. CROSSWORD PUZZLE No. 5,632

ACROSS

1 A short time back (6)
4 Dreams of perfect insects (8)
10 A useful tip for 19 across (9)
11 Means to get a musical instrument (5)
12 Start work in French (4)
13 Control is tried, man having gone berserk (10)
15 Desert people's competitive activity (3, 4)
16 More than four weeks? That's grand! (6)
19 A bowed old soldier (6)
21 Burgundy and a little Scotch —a blissful combination (7)
23 Surprised a shed is not to be built (10)
25 Pen a note making complaint (4)
27 Drink the last of the beer and stout, being wide-awake (5)
28 Support outside transport control (9)
29 Risk the consequence—irritation (8)
30 Finding many trees affected is discouraging (6)

DOWN

1 The main directors? (8)
2 Tradesman setting vehicle parking record (9)
3 Information from all quarters (4)
5 Island forced to join a revolutionary organisation (7)
6 An adolescent appears quite happy about disagreeing (7, 3)
7 Strange thing, darkness! (5)
8 Guard not allowed to stay on the railway (6)
9 Interfere with sound decoration (6)
14 The seat of government was nothing out of the ordinary (10)
17 Stone alone will answer here (9)
18 Fool around—first round is not to be fired (8)
20 Book on the subject of benefit (7)
21 Given credit, and still fold (6)
22 The prudent man keeps a few in the wild state (6)
24 Running water — that's material (5)
26 Gold and iron fish (4)

Solution to Puzzle No. 5,631

INSURANCE, OVERSEAS & MONEY FUNDS

OFFSHORE AND OVERSEAS

World Wide Growth Management
10a, Boulevard Royal, Luxembourg
Worldwide Gth Fd. $11.75
Inv. Adv. M & G. Inv Mngt., Ltd., London.

Wren Commodity Management Ltd.
10, St George's St, Douglas IoM. 0624 25015

Wren Com. Fund	12 7	13.2	3.10
Chorse Fund	58 8	61 2	1.70
Precious Metal Fund	71 4	74.3	8.30
Vanguard Cmdy Fd	19 6	20.4	0.00
Financial Futures Fd.	32 5	33.8	

Yamaichi Dynamic Mngt Co SA
10A Boulevard Royal, Luxembourg
Dynamic Grth Fd. $8.75 — -0.02

Money Market Trust Funds

	Nom	Apr	Int Cr	Notice
The Money Market Trust 63 Qn Victoria St, EC4N 4ST. 01-236 0952				
Call Fnd	13 68	14.22	6-mth	Call
7-day Fnd	12 42	12.86	6-mth	7-day
Oppenheimer Money Management Ltd 66 Cannon St, EC4N 6AE. 01-236 1425				
Call Fnd	13.85	14.33	6-mth	Call
7-day Fund	12 03	12 40	6-mth	7-day
Money Mngt. Acct.	13.50	14 19	3-mth	Call
Dollar	7.37	7 50	6-mth	2-day

Money Market Bank Accounts

	Nom	APR	Int Cr	Notice
Aitken Hume 30 City Road, EC1Y 2AY. 01-638 6070				
Treasury Acc	12 500	13 10	Qtr	Call
Mth. Int. Chq	12.25	12 96	Mthl	Call
Bank of Scotland 38 Threadneedle St, EC2P 2EH. 01-628 8060				
Cheque Acc	13.20	14.03	Mthl	Call
Barclays Prime Account PO Box 125, Northampton 0604 252891				
High Int. Cheque	11.50	12.00	Qtr	Call
Britannia Grp of Investment Companies 29 Finsbury Circus, EC2M 5QL. 01-588 2777				
Cater Allen	13.50	14.36	Mthl	Call
Charterhouse Japhet plc 1 Paternoster Row, EC4M 7DH. 01-248 3999				
Sterling	13.25	14 085	Mthl	Call
U.S. Dollar	7 50	7 763	Mthl	Call
German Marks	5.0	5 116	Mthl	Call
Swiss Francs	2.0	2 018	Mthl	Call
Japanese Yen	5.0	5 116	Mthl	Call
Co-operative Bank 78-80 Cornhill EC3 01-626 6543 Ex. 464				
Under £1,000	12.00	12.55	Qtr	Call
Over £1,000	14.00	14 75	Qtr	Call
Dartington & Co Ltd Dartington, Totnes, Devon TQ9 6JE. 0803 862271				
Money Mkt Acc	13.50	14.20	Qtr	Call
Henderson/Bank of Scotland 38 Threadneedle St EC2P 2EH 01-628 8060				
Money Mkt. Cheque Acc.	13.20	14.03	Mthl	Call
Lombard North Central PLC 17 Bruton St, W1A 3DH. 01-409 3434				
Notice Dep	12.00	12.36	Rate	14-day
M & G/Kleinwort Benson 91-99 New London Rd, Chelmsford. 0245 51651				
High Int Cheque Acc.	13.50	14 40	Daily	Call
Midland Bank plc PO Box 2, Sheffield. 0742 20999 Ext 8738				
High Int Chq	13 40	14.08	Qtr	Call
Provincial Trust (formerly Choularton) 30 Ashley Rd, Altrincham, Cheshire, WA1 2DW 061-928 9011				
Cheque Acc	12.25	12.96	Mthl	Call
Save & Prosper/Robert Fleming 28 Western Rd, Romford RM1 3LB. 0708 66966				
High Int. Bk. Acc.	13 10	14 00	Daily	Call
Premier Acc.	13 10	14.00	Daily	Call
Tyndall & Co 29-33 Princess Victoria St, Bristol BS8 4BX. 0272 732241				
Demand Acc	13 78	14.52	Qtr	Call
Money Acc	11 50	12.00	Qtr	Chq/7
J. Henry Schroder Wagg & Co Ltd Enterprise House, Portsmouth 0705 827733				
Special Acc	13.00	13 80	Mthl	Call
Over £10,000	13.25	14.09	Mthl	Call

NOTES:—Interest rates given both as a nominal rate and an annual percentage rate adjusted for frequency of interest credit.

NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. * Guernsey gross. ♦ Suspended. ◆ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies. ● Yield column shows annualised rates of NAV increase.

COMMODITIES AND AGRICULTURE

Futures brokers welcome investor protection moves

BY JOHN EDWARDS, COMMIDITIES EDITOR

THERE WAS a cautious welcome yesterday from the London commodity exchanges for the Government's White Paper on plans for improving investor protection in the City.

Mr Alistair Annand, chief executive of the Association of Futures Brokers and Dealers, said the proposals were in line with the recommendations put forward by Prof Jim Gower which they had supported. There were one or two uncertain areas, notably over segregation of accounts and compensation.

However, Mr Annand was confident that the futures exchanges would be able to meet the dedline of April 29 set for submitting suggested changes in the proposed rules and regulations of the association, because the White Paper did not contain any radical changes that needed to be considered.

He hoped the association would be operational by the autumn in time to provide the kind of *self-regulatory organisation* envisaged for recognition under the legislation planned for the City.

Mr Jacques Lion, chairman of the London Metal Exchange board, was relieved that the White Paper contained "no nasty shocks." He welcomed the move to strengthen legislation for criminal law against outsider operating outside the exchanges.

Mr Lion agreed that segregation of accounts and compensation were the main problems to be resolved. He was also worried about the running cost of the association to members of the futures exchanges which would have to be passed on to customers.

Traders in the "soft" (non-metal) commodity markets are also concerned about the cost of funding proposed regulatory *organisations*.

Trade houses, which handle few or no private clients, are incensed by the prospect of paying large sums merely to support the activities of companies specialising in speculative business. They feel the proposals in the White Paper are primarily a sledgehammer to crack a nut.

There is some concern that essential trade business may be lumped together with private speculation for the same treatment and increase the overall cost of dealing in the futures markets, even for genuine "hedging" transactions that provide thte lifeblood of the London exchanges.

Sharp fall in stocks of U.S. crude oil

By Nancy Dunne

U.S. CRUDE oil stocks last week dropped by almost 10m barrels from the previous week, bringing the reserve to almost 9m barrels below the level at same time in 1984, according to the American Petroleum Institute.

Crude stocks stood at 335.6m barrels last week compared with 344.7m at the end of January last year.

Stocks of distillate fuel, however, remained considerably above last year's levels despite dropping last week from 151.8m barrels o 144.35m. The U.S. had on hand only an estimated 122.4m barrels at this time in 1984.

Residual fuel oil stocks, at 49m barrels, dropped 3.4m from last week but remained 6m above 1984. Crude imports dropped last week to 1.8m barrels from 2.3m the previous week.

Gasoline stocks are ample at 234.8m, compared with 224.4m last year. The institute announced there was increasing use of unleaded gasoline in the U.S. last year as a result of the "quickening pace" of automobile sales. Unleaded gas represented about 63 per cent of the U.S. market by the end of last year.

U.S. imports of petroleum products rose 14.9m from 1983 to 1984, the institute said. U.S. production of crude oil rose only 1.4 per cent during last year while total crude oil and crude oil product imports increased 7.7 per cent.

● **TEA** prices for sales at Monday's weekly London auction averaged 283.86p a kilo, up from 280.77p last week, according to figures released yesterday by the Tea Brokers' Association of London.

● **PAKISTAN** expects record crops of cotton, rice and wheat in the year ending June 30, Mahbubul Haq, Minister of Planning and Development, said in Islamabad. He said the cotton harvest was expected to total more than 5m bales (375lb each), against about 5m last year.

Lupins bloom as an animal feed source

A correspondent examines the attractions of a 'garden' crop

IN A couple of months hundreds of British farmers will be drilling what, for them, is a new crop. Although lupins are grown widely for grain elsewhere, notably in the Soviet Union, Poland and Australia, this will be the first year in which a significant area has gone down to the crop in the UK.

The aim is to produce an attractive source of protein and energy for the animal feed compounding industry. With a protein content of over 30 per cent and the added bonus of a 5 per cent to 10 per cent oil content, lupins could find a ready market in animal rations, provided British farmers can produce a regular supply.

Lupins are, in fact, probably the nearest to soya that can be produced in this country. The only question is whether they can be grown economically.

Until last year the answer would have been a resounding "no." However, from July the EEC decided to add lupins to the crops on which a subsidy is offered to encourage greater self-sufficiency in proteins.

Under the EEC scheme, farmers are guaranteed a price of £196.67 per tonne for their lupins while feed compounders collect a subsidy designed to bridge the gap between that and the estimated world value of lupin grain.

The guaranteed price makes lupins an economic possibility on British farms for the first time, although the crop's viability will be nowhere near so *clearcut as in southern Europe* where the warmer climate ripens the crop earlier and even allows for winter sowing, which boosts yield substantially.

In Britain the headache is getting the crop ripe *before* winter. Lupins need a high accumulated temperature throughout the growing season to ensure a harvest in late September or early October, which is pretty late in the modern farming calendar. That is likely to confine the bulk of the crop to the south of the country.

Even in those sunnier spots it does not look as if lupins will be offering spectacular yields. The white lupins, which will be grown most widely this year, can be expected to yield 1.0 *tonne to 1.25 tonnes* per acre if carefully grown, according to a recent survey based on crops harvested last autumn.

That should give farmers a moderate profit margin but it will not be as high as that which can be obtained from cereals or other break crops such as oil-seed rape.

In view of these uncertainties it is perhaps surprising that so many farmers are keen to grow *the crop this spring*. Seed merchants report that virtually every bag of lupin seed has been sold—even at high prices—and they believe that the lupin area in the UK could reach 10,000 acres or more this year, from under 500 acres last year.

There appear to be several reasons for this enthusiasm. Lupins, like peas and beans, are leguminous, which means they fix their own nitrogen from the atmosphere cutting down on the need for bought-in fertilisers and benefiting the following cereal crop. They are also easy to harvest—the plant stays erect instead of falling over as often happens with peas—and a conventional combine harvester can be used, which means there is no extra capital expenditure.

Most important, the present interest in lupins, which many think has been overdone, reflects farmers' growing concern about EEC support for grains.

After last year's record harvest there is widespread recognition that Brussels is likely to act soon to curb cereal production. It makes sense to seek alternative crops.

With the EEC still 80 per cent *deficient in* vegetable protein, farmers sense that crops such as peas, beans and now lupins are a sensible hedge against any clampdown in the cereals sector.

Many of the lupin varieties grown this year no doubt will prove unsuitable for the British climate and could cost farmers money. But in the long term plant breeders believe that considerable improvements on the present varieties, bred largely in France and eastern Europe, are possible.

There are over 200 species of lupins, each as different as wheat is from barley. Scientists have barely scratched the lupin plant's genetic potential, the crop's enthusiasts say, and they are confident that over the next *few* years improvements in nutritional value and farmability will be achieved.

The range of species and varieties means that different types can be produced from *different environments*. For example, some agriculturalists argue that low-yielding but high-protein "back-garden" yellow lupins might be suitable on marginal land.

Asarco to halt production at zinc plant

By Our Commodities Editor

ASARCO, the big U.S. metals producer, yesterday announced it was suspending operations indefinitely at its Corpus Christi zinc plant in Texas. The suspension is planned fro the second quarter of this year.

The plant, which has an annual capacity of about 50,000 *tonnes, was re-opened in February* last year after a closure of 16 months but Asarco said profit margins had been unsatisfactory due to excess world zinc smelting capacity and other factors.

Ironically, the move comes when zinc prices on the London Metal Exchange are at their highest for more than 10 years, partly because of a shortage of immediately available supplies. However, the dollar price for zinc is depressed in historical terms and U.S. producers are struggling to make profits.

Zinc values in fact dropped on the LMF yesterday following the stronger trend ni sterling which was a generally depressing influen

Lower grants 'threaten farming in Highlands'

BY MARK MEREDITH, SCOTTISH CORRESPONDENT

THE GOVERNMENT's cuts in agricultural price supports and capital grants threatened to weaken seriously the farming *communities* of the Scottish Highlands, Mr Robert Cowan, chairman of the Highlands and Islands Development Board, warned yesterday.

In a *spech in Orkney, he said* that the board, which is the industrial promotion body for the north of Scotland, was preparing to tell the Scottish Office of the damaging implication of the *changes*.

At 1983 and 1984 levels, he said, the Department of Agriculture's statutory investment grants were worth approxi*mately £46 per breeding cow in* Orkney. The cut of about 50 per cent announced in December amounted to about £23 per breeding cow.

The cuts wiped out the benefits of the recently enhanced hill livestock compensatory allowances.

Mr Cowan said: "The worry is twofold. Not only will existing programmes be Seriously *jeopardised by these cutbacks* but, in the longer term, re*investment* will dimish. drainage and re-seeding will be neglected and the farming fabric will gradually deteriorate unless counter-measures are introduced."

He argued for concessions under the quota restrictions on milk production to be applied for some of the islands.

Farmers who undertook development schemes some years ago in good faith were now at great risk, he said.

Many were on islands supplying local creameries. Cheese-*making island creameries* such as those on the islands of Arran, Islay, Orkney and Bute did not aggravate directly the general problem of over-supply.

The islands and remote mainland areas which did not impinge on global surpluses should be treated separately for quota purposes.

Record Australian farm exports likely

CANBERRA — The value of Australian farm exports will rise to a record A$10.13bn (£7.43bn) in the year to June 30 from the previous peak of A$8.48bn in 1983-84, the Bureau of Agricultural Economics forecast in its latest Trends quarterly published yesterday.

The increase reflects an expected rise *in volume. The* bureau forecast that the net value of farm production in 1984-85 will fall to A$4.21bn from the record A$4.83bn in 1983-84.

The bureau's index of the real net value of rural production is forecast to decline to 86 (base average 1970-73) in 1984-85 from 104 in 1983-84. The bureau said the predicted decline reflects depressed commodity prices and rising farm costs.

*Gross value of rural produc*tion is forecast to decline only marginally to A$15.06bn from A$15.15bn, reflecting near-record overall farm production volume, but farm costs are predicted to rise to A$10.85bn from A$10.32bn, it said.

The bureal raised its forecast of Australian wool exports in 1984-85 to 698m kilos from the 681m *predicted three months* ago. Exports in the previous season totalled 649m kilos.

The rise reflects increased production and demand, the bureau said.

The bureau's wool output forecast, 773m kilos against 728m in 1983-84, is the same as reported previously by the Australian Wool Production *Forecasting Committee*.

Much of the increase will be in the meidum-to-strong merino categories, the bureau said. *Average cut per head is* forecast to reach a high 4.5 kilos due to favourable conditions in 1984.

The bureau raised its forecast of average auction prices in 1984-85 to 510 cents a kilo from 500 predicted in the previous Trends quarterly. Last season's average was 485 cent.

The higher forecast follows a rise *in* auction prices during the first half of the selling season, the bureau said. It noted that a feature of this season's market had been exceptional strength in prices of fine wools.

Auction demand should be maintained through the season, it added. z

The bureau forecast live epeep exports at 7.2m head, against 7.4m forecast three months ago and 7.17m last season.

Reuter

India studies sugar policy

NEW DELHI—The Indian Government is considering a long-term policy to stabilise domestic sugar production and prices, Rao Birendra Singh, Minister of *Civil Supplies*, told Parliament yesterday, reports Reuter.

He said it was not possible for the government to own and manage India's sugar mills. Members of parliament have called on him to nationalise the mills, saying many are suffering large losses

The minister expects sugar output to rise to some 7m tonnes in the year ending September 1985.

● The EEC Commission granted export licences on 73,400 tonnes of sugar at yesterday's weekly tender in Brussels. London trad*ers said the result was slightly* bearish for the market but prices eased only fractionally after the announcement.

LONDON MARKETS

THE recent surge in London cocoa futures prices ran out of steam yesterday *afternoon* after a permissible limit rise had earlier lifted values to 7½-year highs.

The May position reached a peak of £2,256 a tonne before lack of follow-through buying triggered a sharp sell-off which was fuelled by the firmness of sterling and hedging against Brazilian producer sales. *March cocoa ended the* day £13 down at £2,196.50 a tonne.

Coffee futures continued Tuesday's slide with the March position ending £15 down at £2,353.5 a tonne. Some dealers attributed the fall to modest commission house selling against uncertainty about rumoured *Brazilian stockpile sales*.

MAIN PRICE CHANGES

In tonnes unless otherwise stated

	Jan. 30 1985	+ or —	Month ago
METALS			
Aluminium	£1100		£1100
Free Mkt	$1155/1175	−10	$1095/1125
Copper			
Cash h Grade	£1262.5	−5	£1136.6
3 mths	£1280.75	−2.5	£1142.25
Gold troy oz	$303.25	+0.5	$305.5
Lead Cash	£363.5	−22.5	£361
3 mths	£348.25	−0.5	£333.5
Nickel	£5816		£5967
Free Mkt	233/265c	−4	215/246c
Palladium oz	$128.25	+2.5	$124.00
Platinum oz	$273.25	−0.25	$283.25
Quicksilver†	$295/305		$300/310
Silver troy oz	549.15p	−8.90	646.55p
3 mths	565.95p	−10.50	659.35p
Tin cash	£9801.5	+29	£9980
3 mths	£9857.5	−55	£9950
Tungsten	$83.85		$83.51
Wolfram 22 04lb	$68/72	+2	$70/74
Zinc	£735	−8	£691
3 mths	£734.5	−6.75	£686.25
Producers	$900		$900

	Jan. 30 1985	+ or —	Month ago
OILS			
Coconut (Phil)	$800u		$935
Palm Malayan	$580z		$585
Seeds			
Copra Phil	$520v	−20	$560
Soyabean (U.S.)	$251.25z	−0.25	$239.5
GRAINS			
Barley Fut. May	£116.05	−0.40	£113.45
Maize	£147.00z		£146.50
Wheat Fut. May	£116.20	+0.45	£113.00
No2 Hard Wint.	‡		‡
OTHERS			
Cocoa Ft. May	£2196.5	−13	£1885.5
Coffee Ft. Mar.	£2353.5	−15	£2289
Cotton A index	69.95c	−0.25	‡
Gas Oil Feb.	$224.75	+0.75	$215.5
Rubber (kilo)	64p		63p
Sugar (raw)	$16.5yw	−12	$98
Wooltops 64s	514p kilo		494p kilo

‡ Unquoted. z Feb. w Mar. u Feb-Mar. y Jan-Feb. v Mar-April. † Per 75-lb flask. n Nominal. c Cents per pound.

INDICES

FINANCIAL TIMES

Jan. 29	Jan. 28	M'th ago	Year ago
299.80	299.61	—	299.75

(Base: July 1 1952 = 100)

REUTERS

Jan. 30	Jan. 29	M'th ago	Year ago
2101.4	2035.9	1904.9	1994.6

Base: September 18 1931 = 100)

MOODY'S

Dec. 27	Dec. 19	M'th ago	Year ago
965.9	966.4	—	140.42

(Base: December 31 1931 = 100)

DOW JONES

Dow Jones	Dec. 27	Dec. 19	Month ago	Year ago
Spot	121.99	122.63	—	140.42
Fut.	124.33	125.68	—	143.53

(Base: December 31 1974 = 100)

OIL

Prices for February Brent rose 40-50 cents but *most trading was for March* cargoes, which also traded 40-50c up. Nymex opened 27c up but had slipped 8c by 1 pm EST. In the petroleum products market, heavy fuels were unchanged and quiet. The API statistics, which were bullish, agreement at Opec and rumours of a shortage of Russian suplies firmed gas oil prices in active morning trading. Later, prices fell in line with Nymex—Petroleum Argus, London.

SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arab Light	27.55-27.65*	—
Arab Heavy	26.60-26.70	—
Dubai	27.20-27.30	—
Brent Blend	27.35-27.50	+0.375
W.T.I. (1 pm est)	25.50-25.60*	+0.20
Forcados (Nigeria)	27.40-27.85	+0.35
Urals (cif NWE)	—	—
PRODUCTS—North West Europe "cif" ($ per tonne)		
Premium gasoline	229-231	—
Gas Oil	233-235	+2
Heavy fuel oil	183-186	—

* March; rest February.

Petroleum Argus Estimates

GAS OIL FUTURES

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
Jan	236.00	+6.00	236.00-35.00
Feb	224.75	+0.75	227.00-25.25
March	216.25	+0.75	219.00-15.50
April	211.00	−0.50	213.00-10.00
May	208.25	+0.25	210.50-08.50
June	208.50	—	209.75-08.50
July	209.00	+1.00	209.00

Turnover: 3,295 (3,683) lots of 100 tonnes.

COPPER

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	1265-6	−7.75	1262-3	−5
3 months	1281-.5	−6.5	1280.5-1	−2.5
Settlem't	1266	−7.5	—	—
Cathodes				
Cash	1256-7	−5	1250-2	−4.5
3 months	1274-5	−2	1269-70	−4
Settlem't	1257	−6	—	—

Amalgamated Metal Trading reported that in the morning higher grade three months traded at £1,286, 85, 84, 83, 82.5, 82, 81.5. Cathodes: Cash £1,255, 56, three months £1,271, 72, 73, 74. Kerb: Higher Grade, Three months £1,280, 78, 77, 78, 79, 78. Afternoon: Higher Grade: Three months £1,283, 84, 82.5, 83, 81, 80, 81, 81.5, 81, 80.5. Cathodes: Three months £1,269. Kerb: Three months £1,281, 80, 80.5, 80, 79, 78, 77, 76, 75, 74, 73.5, 74, 73, 74, 75. Turnover 29,500 tonnes. U.S. Producers: 64-70 cents a pound.

TIN

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	9870-80	−67.5	9885-905	−32.5
3 months	9840-50	+10	9875-85	+55
Settlem't	9880	+70	—	—
Standard				
Cash	9750-70	−82.5	9801-2	+29
3 months	9820-30	+12.5	9855-60	+65
Settlem't	9770	−88	—	—
Straits E.	$29.15	—	—	—

Tin—Morning: Standard: Cash £9,950, 60, three months £9,820, 25, 20, 25, 30. Kerb: Three months £9,830. Afternoon: Standard: Cash £9,800, 5, 1, three months £9,835, 40, 35, 40, 50, 45, 50, 55. Kerb: Three months £9,860. Turnover: 1,525 tonnes.

LEAD

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	371-2	−23.5	363-4	−22.5
3 months	348-9	−1.25	348-.5	—
Settlem't	372	−24	—	—

Lead—Morning: Cash £372, three months £350, 49. Kerb: Three months £349. Afternoon: Three months £348, 49. Kerb: Three months £347, 46, 47, 46.5, 46. Turnover, 19,950 tonnes. U.S. Spot: 29-32 cents a pound.

ZINC

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	735-6	−11	734-6	−8
3 months	734-5	−8.25	734-5	−6.75
Settlem't	736	−11	—	—

Zinc—High Grade Official/Unofficial prices: Cash am £780-90, pm £780-90. Three months am £775-85, pm £774-9. Settlement: £790. Morning: Three months £735, 35.5, 35, 34.5, 34. Kerb: Three months £733, 32, 31, 32, 33, 34. Afternoon: Three months £735, 35.5, 35, 34, 35. Kerb: Three months £736, 37, 36. Turnover: 8,950 tonnes. U.S. Prime Western: 43-43.75 cents a pound.

ALUMINIUM

Alumin'm	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Spot	977-8	−14	974-5	112.5
3 months	1008-9	−16.5	1005-6	115

Aluminium—Morning: Three months £1,012, 11, 10.5, 8, 6, 5.5, 6, 7, 8, 9, 8. Kerb: Three months £1,008. Afternoon: Three months £1,011, 10, 9.5, 10, 9, 8, 5, 6. Kerb: Three months £1,006, 6, 4. Turnover: 20,600 tonnes.

NICKEL

NICKEL	a.m. Official	+ or —	p.m. unofficial	+ or —†
	£	£	£	£
Spot	4610-5	−103	4565-70	−148
3 months	4602-4	−84.5	4560-5	−116

Nickel—Morning: Cash £4,610, 20, three months £4,580, 90, 95, 4,600, 4,598, 95, 98, 99, 4,600, 4,599, 4,600, 5, 4,600, 2, 5. Kerb: Three months £4,605, 10, 9, 7. Afternoon: Three months £4,595, 90, 80, 65, 60, 55, 60. Kerb: Three months £4,565. Turnover: 2,928 tonnes.

GOLD

Gold rose $½ an ounce from Tuesday's close in the London bullion market yesterday to finish at $303-303½. The metal opened at $302-302½ and traded between a high of $303¾-303¾ and a low *of $301¾-302¼*. Trading showed little reaction to the latest pricing agreement within Opec and after easing slightly, it came back to finish little changed on the day.

LONDON FUTURES

Month	Yest'days close	+ or —	Business Done
	$ per troy ounce		
Feb	303.00	—	305.0-302.00
April	306.50-07.10	+0.25	306.60-05.60
Jun	311.00	—	—

Turnover: 177 (399) lots of 100 troy

GOLD BULLION (fine ounce) Jan. 30

Close	$303-303½	(£268¾-269¼)
Opening	$302-302½	(£269¾-270¼)
M'ni'g fix	$303.00	(£270.657)
Aft'n'n fix	$302.90	(£269.484)

GOLD AND PLATINUM COINS

Kr'g'r'nd	$312¼-313	(£277½-278)
½ Krug	$161-161¾	(£143-143½)
¼ Krug	$82-82¾	(£73¼-73½)
1/10 Krug	$33½-34¼	(£29¾-30½)
Mapleleaf	$312¾-313	(£277¼-278)
New Sov.	$71½-72	(£63½-64)
½New Sov.	$43½-44	(£38½-39)
Old Sov.	$72-73½	(£64-65½)
$20 Eagle	$475-505	(£421¼-448½)
Noble Plat	$281-284¼	(£249½-252½)

SILVER

Silver was fixed 8.9p an ounce lower for spot delivery in the London bullion market yesterday at 549.15p. U.S. cent equivalents of the fixing levels were: spot 616.70c, down 7.2c; three-month 629.15c, down 6.85c; six-month 642.7c, down 7.2c; and 12-month 672.5c, down 8.65c. The metal opened at 548½-551½p *(614-617c) and closed at* 553-556p (623-626c).

SILVER per troy	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	549.15p	−8.90	548.5p	−8
3 months	565.95p	−10.5	566.05p	−10.4
6 months	581.35p	−12.7	—	—
12months	612.45p	−16.5	—	—

LME—(2,000 oz contract). Cash 548.5p (556.5p); three months 566.05p (576.5p). Turnover 0 (0).

Turnover: 34 (47) lots of 10,000 oz. Morning: Large 1st ring three months 568; 2nd ring three months 567, 66. Kerb: Untraded. Afternoon. Untraded. H-7627od.5 cvS

COCOA

Duo a little steadier, futures in fact traded through limit-up before meeting profit-taking which eroded the gains, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
	£ per tonne		
March	2178-2179	−14.0	2232-2175
May	2296-2297	−13.0	2256-2197
July	2190-2191	−11.0	2242-2186
Sept	2184-2186	−2.5	2232-2179
Dec	2048-2050	−20.5	2090-2049
Mar	2030-2038	−28.0	2075-2035
May	2010-2040	−32.5	2060-2530

Sales: 9,552 (13,634) lots of 10 tonnes.

ICCO indicator prices (U.S. cents per pound). Daily price for January 29: 106.25 (104.73); five-day average for January 30: 103.05 (102.17).

COFFEE

After opening £6-9 lower, continued dealer selling created additional losses in thin conditions reports Drexel Burnham Lambert. Stronger sterling prompted further pressure in forward contracts before profit-taking and commission house buying encouraged a rally towards the close.

COFFEE	Yesterd'ys Close	+ or —	Business Done
January	2325-33	−11.5	2330-13
March	2353-55	−15.0	2369-45
May	2376-80	−21.0	2391-66
July	2392-95	−37.5	2410-87
Sept	2392-98	−39.5	2421-93
Nov	2408-12	−37.0	2445-C6
Jan	2390-00	−47.5	2425-00

Sales: 4,453 (3,293) lots of 5 tonnes.

ICO indicator prices (U.S. cents per pound) for January 29: Comp daily 1979 136.47 (137.49); 15-day average 135.97 (135.79).

GRAINS

Old crops stabilised and then found profit-taking in flat trade after the recent losses. New crops were dull with hedge selling the major feature, reports Muirpace.

	WHEAT		BARLEY	
Mnth	Yesterd'ys close	+ or —	Yesterd's close	+ or —
Mar	111.50	−0.60	112.85	−1.00
May	115.75	−0.55	115.65	−0.85
July	119.05	−0.15	—	—
Sept	97.60	−0.30	97.85	−0.40
Nov	100.85	−0.25	101.10	−0.25

Business done—Wheat: March 112.00-1.65, May 115.25-5.90, July untraded, Sept 97.70-7.50, Nov 100.95-0.85. Sales: 153 lots of 100 tonnes. Barley: March 113.00-2.85, May 116.00-5.55, Sept 97.85 only, Nov untraded. Sales 143 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1, 14 per cent, March 178.25, April/May 165.10 seller transhipment East Coast. U.S. No. 2 Soft Red Winter Feb/March 162.75, April 162.25. English feed fob Feb 113, March 114, April June 117 sellers East Coast. Maize U.S. No. 3 Yellow/French Feb 147, March 148.50 transhipment East Coast. Barley: English Feed fob Feb 117, March 118, April/June 120 sellers East Coast. Rest unquoted.

HGCA—Locational ex-farm spot prices. Feed barley: Eastern 111.10, E Mids 112.20, N East 114.60, Scotland 115.20. The UK monetary coefficient for the week beginning Monday February 4 will change to 1.049.

PIGMEAT

Weaker physicals encouraged early liquidation in the near months although distant positions attracted a two-way trade. Prices picked up towards the close as physical prices rose, reports COST Commodities.

Month	Yesterdays close	Previous close	Business done
	p. per kilo (deadweight)		
Feb	110.40	110.10	110.40-109.50
April	106.20	105.60	106.20-105.80
June	104.50	104.50	104.50-104.20
Aug	101.10	101.00	101.00-100.90
Oct	107.10	107.50	107.50-107.00
Nov	107.80	108.00	107.80-107.60

Sales: 205 (241) lots of 50 carcases, 3,250 kg.

POTATOES

Pressure on the physical market, with supply beginning to increase, caused a fairly rapid drop and contract lows were breached during early business. Stop-loss selling pushed prices lower before profit-taking lifted prices towards the close, reports Coley and Harper.

Month	Yesterdy's close	Previous close	Business Done
	£ per tonne		
Feb	44.50	45.80	45.00-43.60
April	53.60	54.30	54.00-52.60
May	55.10	56.70	56.50-55.00
Nov	71.00	70.50	71.00
Feb	80.50	81.00	80.50

Sales: 751 (126) lots of 40 tonnes.

RUBBER

PHYSICALS — The London market opened slightly steadier, drifted lower on stronger sterling and closed uncertain, reports Lewis and Peat. Closing prices (buyers): Spot 64.00p (same); March 75.50p (same); April 76.00p (same). The Kuala Lumpur Feb fob price for RSS No. 1 188.5 (188.0) and for SMR 20 was 180.5 (same).

SOYABEAN MEAL

The market opened £1.00-1.50 lower in active trading conditions, reports T. G. Roddick. Koen shipper selling eased prices further during the afternoon before a slight, correcting rally at the close.

	Yesterday close	+ or —	Business Done
	£ per tonne		
Feb	148.5-149.5	—	149.0-148.4
April	149.0-149.5	−1.00	149.7-148.9
June	146.5-147.2	−1.45	147.0
August	147.5-148.0	−1.25	148.0-147.6
October	150.5-151.5	−1.45	153.8
Dec	152.5-155.5	−2.00	—
Feb	154.5-155.5	−2.00	—

Sales 231 (190) lots of 20 tonnes.

LONDON DAILY PRICE—Raw sugar $116.50 (£104.00), down $2.00 (down £2.00) a tonne for Jan-Feb-March delivery. White sugar $141.50, down $6.00.

Prices continued to drift in quiet trading conditions, reports C. Czarnikow.

SUGAR

No.6 Con-tract	Yest'day's close	Previous close	Business done
	$ per tonne		
Mar	128.9-129.0	124.8-125.0	128.8-126.4
May	136.4-136.8	132.0-132.4	136.6-130.2
Aug	144.4-144.6	140.0-140.2	144.4-138.8
Oct	151.2-151.4	146.8-147.0	151.2-145.4
Dec	167.0-167.8	155.0-154.0	155.8
Mar	171.0-171.6	167.4-168.0	167.0
May	177.9-178.6	174.0-175.0	—

Sales: 2,641 (2,719) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis sugar was £213.50 (£215.50) a tonne for export.

International Sugar Agreement—(U.S. cents per pound fob and stowed Caribbean ports.) Prices for January 29: Daily price 3.93 (3.89); 15-day average 3.69 (3.66).

U.S. MARKETS

HEATING OIL prices were moderately higher on a bullish industry stock report showing a drawdown in distillates, as well as gasoline stocks, reports Heinold Commodities. Copper firmed on follow-through buying and on *active arbitrage buying*. Aluminium was almost independently weak as continued long liquidation overwhelmed the market. Sugar was strong on technically orientated buying which triggered local short-covering on the close. Cocoa traded moderately lower as origin selling from Brazil depressed vales. Grain and soyabean moved hikher on commercial and speculative support. The strength in soyabean oil was a contributing factor as rumours of Soviet business as *high as 100,000 tonnes* generated steady support. Wheat was very strong on concern about short deliverable supplies in the Great Lakes. Maize was slightly *higher* on lack of country movement. Coffee was steady with traders, concerned about additional registration releases by Brazil.

NEW YORK

ALUMINIUM 40.000 lbs, cents/lb

	Close	High	Low	Prev
Feb	50.25	—	—	50.05
March	50.65	50.70	50.10	50.45
May	51.35	51.40	51.00	51.15
July	52.05	52.00	51.75	51.90
Sept	52.75	—	—	52.65
Dec	53.80	53.80	53.80	53.70
Jan	54.15	—	—	54.05
March	54.85	—	—	54.75
May	55.55	—	—	55.45

COCOA 10 tonnes, $/tonne

	Latest	High	Low	Prev
March	2285	2298	2273	2288
May	2310	2325	2300	2318
July	2290	2309	2283	2291
Sept	2255	2280	2252	2260
Dec	2135	2155	2130	2150
March	2125	2132	2125	2138
May	2140	—	—	2136

COFFEE "C" 37,000 lbs, cents/lb

	Close	High	Low	Prev
March	147.63	49.25	47.25	48.51
May	144.50	45.74	44.40	45.06
July	142.20	43.20	42.15	43.00
Sept	140.21	41.30	40.20	41.00
Dec	139.01	39.90	39.25	39.65
March	137.28	—	—	38.13
May	135.63	—	—	37.25

COPPER 25,000 lbs, cents/lb

	Close	High	Low	Prev
Feb	63.35	—	—	62.70
March	63.90	63.95	62.95	63.05
May	64.35	64.40	63.30	63.30
July	64.80	64.85	63.70	63.60
Sept	65.25	65.20	63.85	63.85
Dec	65.90	65.80	64.40	64.25
Jan	66.10	—	—	64.35
March	66.55	65.75	64.80	64.66
May	66.90	66.50	66.50	64.95

COTTON 50,000 lbs, cents /lb

	Close	High	Low	Prev
March	65.03	65.10	64.70	64.55
May	66.17	66.25	65.86	65.86
July	67.15	67.20	66.86	66.86
Oct	67.40	67.40	67.30	67.15
Dec	67.40	67.55	67.37	67.40
March	68.55	—	—	68.55
May	69.20	—	—	69.20
July	69.75	—	—	69.70

CRUDE OIL (LIGHT) 42,000 US gallons, $/barrel

	Latest	High	Low	Prev
March	25.60	25.73	25.35	25.73
April	25.31	25.47	25.13	25.19
May	25.14	25.24	24.90	25.04
June	24.98	25.10	24.75	24.95
July	24.90	24.90	24.80	24.87
August	25.00	—	—	24.85
Sept	25.00	—	—	24.85
Oct	25.00	24.90	24.85	24.85
Nov	24.90	24.90	24.73	24.75
Dec	25.00	24.85	24.85	24.85

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
Feb	304.3	305.5	301.5	301.8
March	306.1	306.0	304.2	303.5
June	312.1	313.0	309.6	309.5
August	316.4	317.0	314.0	313.7
April	307.9	308.5	305.0	305.3
Oct	320.9	320.0	319.0	318.1
Dec	325.7	324.2	323.0	322.8
Feb	330.9	330.5	330.5	327.9
April	336.1	—	—	333.0
June	341.7	—	—	338.5
August	347.6	—	—	344.3
Oct	353.9	352.0	352.0	350.5

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

	Latest	High	Low	Prev
Feb	72.50	73.30	71.65	72.67
March	70.30	70.80	69.60	70.10
April	67.15	67.50	66.60	66.98
May	66.00	66.20	65.30	65.77
June	65.35	65.55	6.480	66.30
July	66.00	—	—	65.66

ORANGE JUICE 15,000 lb, cents/lb

	Close	High	Low	Prev
March	179.15	80.00	78.30	78.30
May	179.80	80.85	79.30	73.20
Sept	178.50	79.25	77.35	77.30
Nov	177.50	78.00	77.60	78.70
Jan	176.50	76.00	76.00	78.20
March	176.50	—	—	76.20

PLATINUM 50 troy oz, $/troy oz

	Close	High	Low	Prev
Feb	278.6	277.0	277.0	293.1
March	280.4	276.0	276.0	—
April	282.3	284.0	272.5	274.3
July	287.2	288.0	279.2	278.9
Oct	292.4	294.5	285.0	284.1
Jan	298.3	296.0	295.0	290.0

SILVER 5,000 troy oz, cents/troy oz

	Close	High	Low	Prev
Feb	628.7	620.5	615.5	615.5
March	632.5	637.0	619.5	619.5
May	641.1	645.0	628.0	627.9
July	650.1	656.0	637.0	636.9
Sept	659.9	665.0	650.0	646.6
Dec	675.7	680.0	662.0	662.3
Jan	681.1	—	—	667.6
March	692.0	693.0	693.0	678.4
May	703.6	—	—	690.0

SUGAR WORLD "11" 112,000 lbs, cents/lb

	Close	High	Low	Prev
March	4.66	4.60	4.35	4.42
May	4.88	4.93	4.65	4.71
July	5.21	5.23	4.95	5.04
Sept	5.45	5.45	5.38	5.30
Oct	5.62	5.63	5.36	5.45
Jan	6.07	5.96	5.96	5.90
March	6.49	6.52	6.25	6.37
May	6.75	6.75	6.54	6.69

CHICAGO

LIVE CATTLE 40,000 lb, cents/lb

	Close	High	Low	Prev
Feb	66.00	66.10	65.70	65.95
April	68.25	68.55	68.12	68.45
June	68.50	68.80	68.42	68.92
August	66.45	66.62	66.37	65.72
Oct	64.52	64.85	64.50	64.72
Dec	65.76	65.77	65.75	65.90
Feb	66.00	66.00	66.00	66.00

LIVE HOGS 30,000 lb, cents/lb

	Close	High	Low	Prev
Feb	51.60	51.75	51.20	51.65
April	49.22	49.27	48.65	48.97
June	54.25	54.40	53.77	54.37
July	54.57	54.65	54.17	54.72
August	53.57	53.80	53.10	53.82
Oct	49.10	49.45	48.95	49.30
Dec	49.30	49.45	49.00	49.30
Feb	48.75	49.00	48.75	49.15
April	46.75	47.00	46.70	46.95

MAIZE 5,000 bu min, cents/56-lb

	Close	High	Low	Prev
March	272.0	272.4	270.2	270.4
May	278.0	278.0	276.4	276.6
July	280.0	280.0	278.6	279.0
Sept	272.4	272.6	271.4	271.6
Dec	265.6	266.4	265.4	265.4
March	275.0	275.4	274.4	274.4
May	280.4	280.4	280.0	280.0

PORK BELLIES 38,000 lb, cents/lb

	Close	High	Low	Prev
Feb	72.50	72.60	71.35	72.27
March	73.20	73.35	7.207	72.80
May	74.67	74.80	73.52	74.30
July	74.85	74.95	73.95	74.35
August	72.60	72.90	71.75	72.35
Feb	66.10	66.50	66.10	65.90
March	66.20	66.20	66.20	66.32

SOYABEANS 5,000 bu min, cents/60lb-bushel

	Close	High	Low	Prev
March	604.0	607.4	600.0	598.4
May	618.4	619.0	612.0	610.6
July	628.0	629.0	622.0	621.0
August	626.4	629.0	623.4	621.4
Sept	616.0	619.0	614.0	613.0
Nov	616.6	619.4	615.0	614.2
Jan	629.4	632.4	628.0	627.0
March	643.4	—	—	641.0
May	651.4	—	—	649.0

SOYABEAN MEAL 100 tons, $/ton

	Close	High	Low	Prev
March	141.6	141.7	140.7	140.6
May	147.3	147.4	146.5	146.3
July	152.9	153.0	151.5	151.8
August	155.0	155.6	154.3	154.8
Sept	157.4	158.0	157.0	157.2
Oct	159.7	160.0	159.0	159.5
Dec	164.5	165.0	164.0	164.3

SOYABEAN OIL 60,000 lbs, cents/lb

	Close	High	Low	Prev
March	27.86	27.85	27.33	27.23
May	26.93	27.09	26.68	26.62
July	26.37	26.53	26.15	26.07
August	25.95	26.08	25.75	25.65
Sept	25.56	25.55	25.40	25.32
Oct	24.55	24.80	24.46	24.40
Dec	24.15	24.20	24.10	24.05

WHEAT 5,000 bu min, cents/60lb-bushel

	Close	High	Low	Prev
March	352.2	353.0	348.4	348.0
May	346.0	346.6	343.2	342.2
July	334.2	335.0	332.4	332.2
Sept	336.0	336.2	335.0	334.0
Dec	345.6	346.4	344.4	[illegible]
March	348.4	—	—	348.0

SPOT PRICES—Chicago loose lard 24.50 (same) cents per pound. New York tin 490.0-520.0 (487.0-515.0) cents per pound. Handy and Harman silver bullion 621.0 (623.0) cents per troy ounce.

OTHER MARKETS

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg: March 585.0, 588.0, 586.0; May 594.0, 596.0, 594.0; July 598.0, 600.0, 599.0; Oct 586.0, 590.0, untraded. Dec 592.0, 593.0, u/t; March 597.0 605.0, u/t; May 600.0, 608.0, u/t; July 609.0, 610.0, u/t. Sales: 5.

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. March 513, 516, 516-515; May 525, 526, 525; Aug 542, 544, 545-543; Oct 544, 546, 545-544; Dec 544, 546, 546-544; Jan 546, 547, 547-545; March 553, 555, 555; May 558, 560, 560-558. Sales: 103.

SMITHFIELD—Pence per pound. Beef: Scotch killed sides 76.0 to 84.0, English hindquarters 84.0 to 88.0, forequarters 60.0 to 64.0. Veal: Dutch hinds and ends 123.5 to 127.5. Lamb: English small 66.0 to 77.0, medium 62.0 to 74.0, heavy 60.0 to 66.0. Scotch heavy 58.0 to 62.0; Imported: New Zealand PL (new season) 67.3 to 68.0, PL (old season) 69.0 to 70.0. PX (old season) 65.0 to 66.0. Pork: English under 100 lb 52.5 to 62.0, 100-120 lb 53.5 to 59.0,

COTTON

LIVERPOOL—Spot and shipment sales amounted to 300 tonnes. Business was sporadic and U.S. descriptions attracted steady business. Occasional interest was shown in certain African and Middle Eastern supplies.

PARIS

MEAT COMMISSION—Average fatstock prices at representative markets. GB—Cattle 9.84p per kg lw (−1.74). GB—Sheep 157.88p per kg est dcw (−10.79). GB—Pigs 76.18p per kg lw (−3.03). GB—AAPP 107.88p per kg dw (−1.21).

SUGAR—(FFr per tonne): March 1360/1365, May 1405/1407, Aug 1480/1485, Oct 1540/1550, Dec 1625/1635, March 1735/1740.

COCOA—(FFr per 100 kg). March 2315/2318, May 2346/2349, July 2340 bid, Sept 2320 bid, Dec 2250 ask, March 2250 ask, May 2250 ask.

ROTTERDAM

ROTTERDAM, January 30.

WHEAT — (U.S. $ per tonne) U.S. No. 2 Soft Red Winter: Feb 165.50, March 165, April 163.75. U.S. No. 2 Northern Sprin, 14 per cent protein: Spot 184, Feb 184, March 183.75, April/May 168.50, June 170, July 170. U.S. Northern Sprin, 15 per cent protein: Spot 196, April/May 185. U.S. No. 3 Hard Amber Durum: Spot 186, April/May 184, June 184, Sept 182. Canadian No. 1 Western Amber Durum: April/May 183.50, Sept 192.

MAIZE—(U.S. $ per tonne) (U.S. No. 3 Yellow: Afloat 137, Feb 134, March 132, April/June 132, July/Sept 133, sellers. Argentine Plate: March 132, April/June 130, sellers.

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Opec decision boosts sterling

Sterling rose to its best level for three weeks in currency markets yesterday, following a favourable reaction to the outcome of the latest Opec talks. There appeared to be a sudden turnround in market sentiment, reflected by suggestions that UK interest rates had peaked for the time being. This was given credibility by a fall in sterling interbank rates, which ended the day discounting a base rate of around 12½ per cent compared with the current level of 14 per cent.

Announcements during the day from Geneva were a little contradictory at first but the overall picture enabled the market to breath a sigh of relief now that recent uncertainty had diminished. Sterling's index rose to 71.4 at the close, having improved steadily from an opening level of 70.9 and up from Tuesday's close of 70.8. Against the dollar the pound rose to $1.1260-1.1270, a rise of 1.2c. It was also higher against the D-mark, rising to DM3.5700 from DM3.5425 and Y286.75 compared with Y283.75. Against the Swiss franc it improved to SwFr 3.0125 from SwFr 2.9725 and FFr 10.9050 from FFr 10.82.

The dollar remained within its recent trading level, confined on one side by renewed demand a tlower levels, but deterred from moving much higher on fears of central bank intervention. December trade figures showed a deficit of $8.2bn, sharply down from market estimates of around $11.5bn, but this failed to provide any real stimulation. Opinions remained fairly evenly divided on the possibility of a rise in West German interest rates after today's Bundesbank meeting but a prevailing note of caution saw the dollar finish lower at DM 3.1690 down from DM 3.1760.

It was firmer against the yen however at Y254.50 from Y254.30 and SwFr 2.6750 from SwFr 2.6660. Against the French franc it eased to FFr 9.6800 from FFr 9.7025. On Bank of England figures, its index was unchanged at 146.2.

D-MARK — Trading range against the dollar in 1984-85 3.2935 to 2.5535. December average 3.1021. Trade weighted index 120.4 against 123.8 six months ago.

The dollar was fixed at DM 3.1670 at yesterday's fixing in Frankfurt up from DM 3.1640 on Tuesday and the Bundesbank sold $10.9m at the fixing. Once again the dollar remained within its recent trading range against the D-mark despite a sharp reduction in the U.S. trade deficit in December to $8.2bn. This compared with market expectations of a deficit nearer $11.5bn.

Elsewhere sterling was fixed at DM 3.5590 from DM 3.5350 and rose in later trading to DM 3.5650 as confidence returned, following an outwardly satisfactory conclusion to the latest Opec meeting.

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu central rates	Currency amounts against Ecu January 30	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	44.9008	44.4552	−0.99	−0.04	±1.5428
Danish Krone	8.14104	7.93117	−2.58	−1.63	±1.6421
German D-Mark	2.24184	2.22241	−0.87	+0.08	±1.1453
French Franc	6.87456	6.78314	−1.18	−0.23	±1.3659
Dutch Guilder	2.52595	2.51350	−0.49	+0.46	±1.5165
Irish Punt	0.72569	0.714265	−1.57	−0.62	±1.6671
Italian Lira	1403.49	1370.38	−2.36	−2.11	±4.0511

Changes are for Ecu, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

STERLING EXCHANGE RATE INDEX (Bank of England)

	Jan. 30	Previous
8.30 am	70.9	70.6
9.30 am	70.9	70.6
10.00 am	71.0	70.9
11.00 am	71.0	70.7
Noon	71.2	70.8
1.00 pm	71.1	70.8
2.00 pm	71.1	70.7
3.00 pm	71.2	70.8
4.00 pm	71.4	70.8

£ in New York

	January 30	Prev. close
£ Spot	$1.1280-1.1287	$1.1185-1.1175
1 month	0.46-0.42 pm	0.51-0.47pm
3 months	1.18-1.11 pm	1.48-1.45pm
12 months	3.55-3.35 pm	3.55-3.45pm

Forward premiums and discounts apply to the U.S. dollar.

POUND SPOT—FORWARD AGAINST POUND

Jan 30	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.1170-1.1285	1.1260-1.1270	0.45-0.40c pm	4.53	1.10-1.00pm	3.73
Canada	1.4822-1.4970	1.4945-1.4965	0.46-0.35c pm	3.25	1.07-0.88pm	2.61
Nethlnd.	4.00¾-4.04	4.02½-4.03½	2⅛-2⅛c pm	6.70	6⅞-5⅞pm	6.02
Belgium	70.86-71.44	71.25-71.35	18-11c pm	2.44	36-24pm	1.68
Denmark	12.64½-12.76½	12.75½-12.76½	3-1⅞ore pm	2.29	6-4⅞pm	−1.70
Ireland	1.1390-1.1468	1.1455-1.1465	0.05-0.23p dis	−1.47	0.40-0.75dis	−2.01
W. Ger.	3.54¼-3.57½	3.56½-3.57½	2⅛-1⅞pf pm	6.72	5⅞-5⅛pm	6.09
Portugal	192.86-195.88	194.55-195.85	160-450c dis	−18.75	485-1340dis	−18.70
Spain	196.13-197.85	197.40-197.80	35c pm-25 dis	−0.30	15pm-55dis	−0.41
Italy	2,189½-2,202¼	2,195½-2,196½	1-3lire dis	−1.09	9-15dis	−1.09
Norway	10.25-10.35¾	10.34¾-10.35¾	2-⅞ore pm	1.67	2⅛-1pm	0.70
France	10.83-10.92	10.90-10.91	3-2⅛c pm	3.03	6⅞-4½pm	1.97
Sweden	10.11½-10.20½	10.19½-10.20½	⅞ore pm-1⅛dis	−0.51	1⅛-2⅞dis	−0.78
Japan	284-287¼	286¼-287¼	1.52-1.45y pm	6.42	4.23-4.03pm	5.75
Austria	24.89-25.05	25.00-25.04	15½-13½gro pm	6.86	41½-37½pm	6.29
Switz	2.98½-3.01½	3.00¼-3.01¼	2-1⅝c pm	7.22	5⅛-4⅞pm	6.72

Belgian rate is for convertible francs. Financial franc 71.55-71.65. Six-month forward dollar 1.57-1.47c pm. 12-month 2.30-2.00 pm.

DOLLAR SPOT—FORWARD AGAINST DOLLAR

Jan 30	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.1170-1.1285	1.1260-1.1270	0.45-0.40c pm	4.53	1.10-1.00pm	3.73
Ireland†	0.9805-0.9835	0.9813-0.9823	0.51-0.46c pm	5.91	1.45-1.35pm	5.70
Canada	1.3260-1.3285	1.3273-1.3278	0.13-0.16c dis	−1.31	0.53-0.40dis	−1.13
Nethlnd.	3.5770-3.5895	3.5770-3.5780	0.67-0.64c pm	2.19	2.07-2.04 pm	2.30
Belgium	63.20-63.73	63.25-63.35	12-13c dis	−2.37	34-36dis	−2.21
Denmark	11.28¾-11.33	11.31½-11.32	2.35-2.85ore dis	−2.76	6½-7dis	−2.39
W. Ger.	3.1600-3.1740	3.1685-3.1695	0.63-0.58pf pm	2.29	1.88-1.83pm	2.34
Portugal	173.10-173.65	173.15-173.65	225-475c dis	−24.22	600-1350dis	−22.49
Spain	175.20-175.76	175.20-175.35	52-62c dis	3.89	175-195dis	−4.21
Italy	1,949-1,956	1,950-1,951	9½-10lire dis	−5.99	31-31½dis	−6.42
Norway	9.14½-9.18	9.17½-9.18	2.35-2.85ore dis	−3.40	7.90-8.40dis	−3.56
France	9.67¼-9.69½	9.67½-9.68½	1.50-1.60c dis	−1.92	5.10-5.35dis	−2.14
Sweden	9.03¼-9.06	9.04½-9.05	4-4½ore dis	−5.64	11.2-11.6dis	−5.04
Japan	254.12-254.80	254.45-254.55	0.43-0.39y pm	1.93	1.32-1.27pm	2.04
Austria	22.20-22.29¼	22.20-22.23	3.10-2.60gro pm	1.54	9½-7½pm	1.48
Switz.	2.6670-2.6795	2.6745-2.6755	0.56-0.50c pm	2.38	1.92-1.86pm	2.83

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

Belgian rate is for convertible francs. Financial franc 63.50-63.60.

OTHER CURRENCIES

Jan. 30	£	$		£ Note Rates
Argentina Peso	247.11-247.56	219.95-220.15	Austria	24.90-25.20
Australia Dollar	1.3755-1.3775	1.2245-1.2255	Belgium	71.20-72.00
Brazil Cruzeiro	3,926.56-3,948.12	3,494-3,511	Denmark	12.66-12.78
Finland Markka	7.4455-7.4690	6.6370-6.6390	France	10.85-10.95
Greek Drachma	143.38-146.27	128.20-130.77	Germany	3.54½-3.58½
HongKong Dollar	8.7600-8.7720	7.7970-7.7800	Italy	2170-2205
Iran Rial	105.60*	94.50*	Japan	284-287
KuwaitDinar(KD)	0.3440-0.3445	0.30616-0.30622	Netherlands	4.01-4.05
Luxembourg Fr	71.25-71.35	63.25-63.35	Norway	10.25-10.35
Malaysia Dollar	2.7970-2.8030	2.4895-2.4915	Portugal	189-203
New Zealand Dlr.	2.3815-2.3965	2.1275-2.1300	Spain	193-203
Saudi Arab. Riyal	4.0250-4.0275	3.5810-3.5815	Sweden	10.12-10.22
Singapore Dollar	2.4805-2.4865	2.2080-2.2100	Switzerland	2.99-3.02
Sth African Rand	2.2165-2.2335	1.9800-1.9900	United States	1.11¼-1.13¼
U.A.E. Dirham	4.1270-4.1300	3.6720-3.6740	Yugoslavia	278-306

* Selling rate.

CURRENCY MOVEMENTS

Jan. 30	Bank of England Index	Morgan Guaranty Change%
Sterling	71.4	−19.1
U.S. dollar	146.2	+32.2
Canadian dollar	90.6	−3.4
Austrian schilling	110.2	+5.6
Belgian franc	88.9	−9.9
Danish Kroner	76.6	−4.8
Deutsche mark	120.4	+6.2
Swiss franc	136.0	+7.1
Guilder	110.0	+2.9
French franc	63.6	−16.1
Lira	46.5	−13.7
Yen	164.1	+10.4

Morgan Guaranty changes: average 1980-1982=100. Bank of England index (base average 1975=100).

CURRENCY RATES

Jan. 30	Bank rate %	Special Drawing Rights	Europ'n Currency Unit
Sterling	—	0.857524	0.624695
U.S. $	8	0.975209	0.701408
Canadian $	9.66	*	0.931119
Austria Sch.	4½	21.6974	15.6135
Belgian Fr.	11	61.7868	44.4552
Danish Kr.	7	11.0265	7.93117
Dmark	4½	3.08849	2.22241
Guilder	5	3.49271	2.51350
French Fr.	9½	9.44100	6.79314
Lira	15½	1905.92	1370.38
Yen	5	248.044	178.403
Norway Kr.	8	8.94169	6.43261
Span'h Pta	½	171.083	123.202
Swedish K.	9	8.82613	6.34634
Swiss Fr	4	2.60527	1.87557
Greek Dr'ch	20½	n/a	90.8043
Irish Punt	12¾	0.993085	0.714865

* C$/SDR rate for January 29: 1.29369.

EXCHANGE CROSS RATES

Jan. 29	Pound St'rling	U.S. Dollar	Deutsche m'k	J'panese Yen	FrenchFranc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Frank
Pound Sterling	1.	1.127	3.570	286.8	10.91	3.013	4.030	2196.	1.496	71.30
U.S. Dollar	0.888	1.	3.169	254.5	9.680	2.675	3.578	1951.	1.328	63.30
Deutschemark	0.280	0.316	1.	80.33	3.055	0.844	1.129	615.1	0.419	19.97
Japanese Yen 1,000	3.487	3.929	12.45	1000.	38.05	10.51	14.05	7658.	5.215	248.6
French Franc 10	0.917	1.033	3.274	263.0	10.	2.762	3.696	2014.	1.371	65.38
Swiss Franc	0.332	0.374	1.185	95.19	3.620	1.	1.338	729.0	0.496	23.67
Dutch Guilder	0.248	0.280	0.886	71.15	2.706	0.748	1.	544.9	0.371	17.69
Italian Lira 1,000	0.455	0.513	1.626	130.6	4.965	1.372	1.835	1000.	0.681	32.47
Canadian Dollar	0.669	0.753	2.387	191.7	7.292	2.014	2.695	1468	1.	47.68
Belgian Franc 100	1.403	1.580	5.007	402.2	15.29	4.226	5.652	3080.	2.097	100.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Jan. 30	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	Italian Lira	Belgian Franc Conv.	Belgian Franc Fin.	Yen	Danish Krone
Short term	14⅛-14⅜	8⅛-8⅜	9¼-9¾	5⅞-6⅛	7⅝-8¼	5⅛-5⅜	10½-10⅝	10-12	10¾-11¼	10¾-11	6⅛-6¼	11-11
7 days' notice	13¾-14	8¼-8⅜	9¼-9¾	5⅞-6⅛	3-3¼	5⅞-6⅛	10½-10⅝	14¼-15¼	10¾-11¼	10⅝-10⅞	6⅛-6¼	10¾-11¼
Month	13½-13⅝	8¼-8⅜	9½-9¾	5⅞-6	5⅜-5½	5⅞-6⅛	10⅜-10½	14½-15	10½-11	10⅝-10⅞	6⅛-6¼	11½-12
Three months	12½-12⅝	8⅜-8½	9½-9¾	6⅛-6⅜	5⅛-5⅜	5¾-5⅞	10⅝-10¾	14⅝-15⅛	10½-11	10⅝-10⅞	6⅛-6⅜	11⅝-12⅛
Six months	11⅞-11⅞	8⅝-8¾	9½-9⅝	6⅛-6⅜	5⅞-5⅞	5⅞-6⅛	11⅛-11⅜	14⅝-15	10½-11	10⅝-10⅞	6¼-6⅜	11⅛-11⅝
One year	11¾-11⅞	9¼-9⅜	9¾-10	6¼-6⅜	5¼-5⅜	6⅛-6¼	11⅜-11½	15⅛-15½	10½-11	10⅝-10⅞	5⅞-6⅛	11⅛-11⅝

Asian $ (closing rates in Singapore): Short-term 8½-8⅝ per cent; seven days 8⅜-8½ per cent; one month 8⁵⁄₁₆-8⁷⁄₁₆ per cent; three months 8⅜-8½ per cent; six months 8⅝-8¾ per cent; one year 9¼-9⅜ per cent. Long-term Eurodollars: two years 10¼-10½ per cent; three years 10¾-11 per cent; four years 11¼-11½ per cent; five years 11⅜-11⅝ per cent nominal. Short-term rates are call for U.S. dollars and Japanese yen; others two days' notice.

FINANCIAL FUTURES

Record volume

Volume was at a record level on the London International Financial Futures Exchange yesterday, reflecting the abrupt change in sentiment from Monday, when sterling denominated contracts went limit down as fears grew about sterling, and interest rates rose sharply. Gilt and short sterling deposit futures were limit up at one time yesterday as Monday's sellers rushed back into the market.

Dealers spoke of a squeeze on fund managers, who were suddenly worried of missing an important buying opportunity. The only slight set back was experienced just before lunch, when Liffe was disappointed the Bank of England did not cut its money market dealing rates, and as far as thinking on the futures market was concerned the authorities were discouraging an early cut in base rates by purchasing bills through repurchase agreements.

Apart from this perhaps slight misunderstanding, the market reflected the euphoric mood in other financial markets, as cash interest rates fell sharply, and hopes increased that the 14 per cent level of base rates would be shortlived.

The mood was helped by the consolidation of sterling above $1.12 on the foreign exchanges and a feeling the outcome of the Opec meeting was reasonably satisfactory.

LONDON

THREE-MONTH EURODOLLAR
$1m points of 100%

	Close	High	Low	Prev
March	91.33	91.35	91.28	91.16
June	90.83	90.89	90.80	90.63
Sept	90.31	90.34	90.27	90.06
Dec	89.87	89.89	89.82	89.59
March	89.49	89.49	89.46	89.20

Est volume 5,572 (5,022)
Previous day's open int 13,114 (12,736)

THREE-MONTH STERLING
£500,000 points of 100%

	Close	High	Low	Prev
March	88.29	88.30	87.11	86.90
June	89.05	89.05	88.05	87.86
Sept	89.36	89.36	88.70	88.30
Dec	89.80	89.80	89.40	88.65
March	89.90	89.90	89.35	88.60

Est volume 5,414 (4,428)
Previous day's open int 5,307 (7,288)

20-YEAR 12% NOTIONAL GILT
£50,000 32nds of 100%

	Close	High	Low	Prev
March	104-22	104-24	102-26	102-08
June	104-22	104-22	103-23	102-14
Sept	108-02	—	—	105-28
Dec	107-25	—	—	105-17
March	107-14	—	—	105-06

Est volume 7,923 (4,654)
Previous day's open int 6,099 (6,671)
Basis quote (clean cash price of 13¼% Treasury 2003 less equivalent price of near futures contract) −10 to par (32nds)

STERLING £25,000 $ per £

	Close	High	Low	Prev
March	1.1210	1.1210	1.1160	1.1115
June	1.1130	1.1130	1.1010	1.1005
Sept	1.1090	—	—	1.0940

Est volume 477 (25)
Previous day's open int 5,127 (5,315)

DEUTSCHE MARKS
DM 125,000 $ per DM

	Close	High	Low	Prev
March	0.3170	0.3170	0.3163	0.3167

Est volume 2 (14)
Previous day's open int 187 (193)

SWISS FRANCS
SwFr 125,000 $ per SwFr

	Close	High	Low	Prev
March	0.3758	—	—	0.3770
June	0.3790	0.3790	0.3785	—

Est volume 10 (nil)
Previous day's open int 111 (111)

JAPANESE YEN Y12.5m $ per Y100

	Close	High	Low	Prev
March	0.3939	—	—	0.3946

Est volume nil (nil)
Previous day's open int 116 (116)

FT-SE INDEX
£25 per full index point

	Close	High	Low	Prev
March	128.15	128.25	126.15	125.25
June	128.40	128.40	126.80	125.55
Sept	128.80	128.85	128.80	125.85

Est volume 972 (813)
Previous day's open int 1,096 (1,004)

U.S. TREASURY BONDS
8% $100,000 32nds of 100%

	Close	High	Low	Prev
March	73-27	74-06	73-22	73-07
June	72-27	—	—	72-08

Est volume 3,297 (1,130)
Previous day's open int 1,941 (2,051)

CHICAGO

U.S. TREASURY BONDS (CBT)
8% $100,000 32nds of 100%

	Latest	High	Low	Prev
March	73-26	74-07	73-21	73-19
June	72-27	73-07	72-23	72-19
Sept	72-03	72-13	71-30	71-25
Dec	71-13	71-17	71-08	71-02
March	70-24	70-29	70-19	70-13
June	70-06	70-11	70-02	69-27
Sept	—	—	—	69-12
Dec	—	—	—	68-30
March	—	—	—	68-17
June	68-18	68-29	68-12	68-05

U.S. TREASURY BILLS (IMM)
$1m points of 100%

	Latest	High	Low	Prev
March	92.12	92.16	92.10	92.09
June	91.74	91.79	91.72	91.69
Sept	91.27	91.33	91.25	91.20
Dec	90.88	90.93	90.88	90.80
March	90.53	90.57	90.53	90.46
June	90.25	90.29	90.25	90.17
Sept	90.00	90.02	90.00	89.90
Dec	—	89.78	—	89.66

CERT. DEPOSIT (IMM)
$1m points of 100%

	Latest	High	Low	Prev
March	91.61	91.65	91.60	91.54
June	91.13	91.18	91.12	91.06
Sept	90.61	90.64	90.59	90.52
Dec	90.17	90.18	90.17	90.08

THREE-MONTH EURODOLLAR (IMM)
$1m points of 100%

	Latest	High	Low	Prev
March	91.28	91.34	91.26	91.22
June	90.81	90.86	90.78	90.72
Sept	90.28	90.33	90.26	90.18
Dec	89.82	89.87	89.81	89.73
March	89.43	89.48	89.43	89.34
June	89.12	89.15	89.12	89.02
Sept	88.84	88.86	88.83	88.73

STERLING (IMM) Se per £

	Latest	High	Low	Prev
March	1.1175	1.1190	1.1140	1.1080
June	1.1100	1.1105	1.1060	1.0965
Sept	1.1025	1.1030	1.1000	1.0885
Dec	1.1000	1.1000	1.0980	1.0845

GNMA (CBT)
8% $100,000 32nds of 100%

	Latest	High	Low	Prev
March	70-02	70-06	69-30	69-28
June	69-10	69-15	69-08	69-06
Sept	68-19	68-26	68-19	68-17
Dec	—	—	—	67-31
March	—	—	—	—
June	—	—	—	67-00
Sept	66-22	66-26	66-22	66-20

MONEY MARKETS

Early base rate cut expected

The gradual improvement in sentiment seen in the London money market around luich time on Tuesday suddenly gathered momentum yesterday. Fears that 14 per cent bank base rates might not be enough to satisfy the speculators against sterling, and market commentators who have suggested the Government's monetary policy has become too lax, were dispelled. By last night's close money market rates discounted a cut of 1½ per cent to 12½ per cent in base rates.

Some sections of the market were still in favour of a more cautious approach, ahead of next week's UK money supply figures, but pressure did seem to be building for a base rate cut before the week end. The important three-month interbank rate opened at 13⅞-13⅞ per cent, but fell away sharply to finish at 12⅝-12¾ per cent, compared with 13¾-13⅞ per cent on Tuesday. Discount houses buying rates for three-month bank bills fell to 12½-12⅜ per cent from 13⅞-13¾ per cent.

The general mood of euphoria was illustrated by very strong demand for certificates of tax deposit, following an overnight increase in rates. This led to a suspension of sales of the series six deposits, accompanied by an unexpectedly sharp rise in the shortage.

forecast money market credit

The Bank of England initially forecast a shortage of £400m, but changed this to £800m at noon, as money was taken out of the banking system to invest in tax deposits. The shortage was later revised to £700m, but the authorities appeared to overhelp the market by providing assistance of £813m.

At one time is was feared overnight rates would move up to very high levels, because of the increased shortage and the reluctance of the discount houses to sell bills outright to the Bank of England, in expectation of lower base rates, but day-to-day money peaked at 17 per cent before falling back to 8 per cent.

Before lunch the Bank of England gave help of £139m through bills bought for resale to the market in equal amounts on February 11 and 12 at 13⅞ per cent. In the afternoon another £424m bills were bought under similar terms, plus £125m bills outright, by way of £124m bank bills in band 1 (up to 14 days maturity) at 13⅞ per cent and £1m bank bills in band 2 (15-33 days) at 13¾ per cent. Late assistance of £125m was also provided.

UK clearing banks' base lending rate 14 per cent since January 28.

LONDON MONEY RATES

Discount Houses Deposit and Bill Rates

Jan. 30 1985	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight	—	8-17	14-16½	9½-14¾	8-14¼	—	—	—	—	—
2 days notice	—	—	14-14¼	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	14⅛-14½	13⅞-14¼	14½-14⅝	13¾-14	—	—	—	—	—
One month	13⅝-13¼	13-14¼	13⅝	14	13	13½	13¼	13¼-13½	13-13¼	14⅛
Two months	13⅛-12½	12¾-14	13	13¼	12¼	12¾	12⅝	12⅝-12¾	12⅝	13⅜
Three months	12¾-12⅝	12⅝-13⅛	12½	13½	12	12⅜	12⅞	12⅛-12⅜	11⅞-12⅛	13
Six months	12-11⅝	11¾-12⅛	11⅝	—	—	—	—	11⅛	11⅛	12
Nine months	11⅞-11⅝	11¾-12¾	—	—	—	—	—	—	—	—
One year	11¾-11¼	11¾-12¾	11⅞	—	—	—	—	—	—	—

MONEY RATES

Jan. 30	Frankfurt	Paris	Zurich	Amst'dam	Tokyo	Milan	Brussels	Dublin
Overnight	5.50-5.55	10⅛	1⅜-1⅝	5⅞-6	6.28125	15⅝-16	8.95	14⅝-14⅞
One month	5.70-5.85	10⅜-10½	5¼-5⅝	6⅛-6	6.28125	15⅞-16¼	10⅝-10⅞	14¾-15
Two months	5.80-5.95	10⅜-10½	—	—	—	—	—	14⅝-14⅞
Three months	5.95-6.00	10⅜-10½	5¼-5⅝	6⅛-6⅜	6.34375	15¾-16⅛	10⅝-10⅞	14⅝-14⅞
Six months	5.95-6.15	10⅜-10½	—	6⅛-6¼	—	—	10⅝-10⅞	14⅝-14⅝
Lombard	6.5	—	—	—	—	—	—	—
Intervention	—	10½	—	5¾	—	—	—	—

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Cert of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month	14⅛-13¾	—	13⅛	8.15-8.25	8⅛-8⅛	9⅞-10⅛
Two months	13¼-13⅛	—	—	8.8-8.3	8¼-8½	9⅞-10⅛
Three months	13-12⅝	—	12¾-13⅝	8.25-8.35	8⅛-8⅜	9⅞-10⅛
Six months	12-11⅝	—	11⅞-12⅞	8.45-8.55	8⅞-9⅛	9⅞-10⅛
Nine months	12⅛-11¾	—	11⅞-12¾	8.6-8.7	—	—
One year	12⅞-11¾	—	11⅞-12⅝	9.0-9.2	8¾-9	9⅞-10⅞
Two years	—	12	—	—	—	—
Three years	—	12	—	—	—	—
Four years	—	12	—	—	—	—
Five years	—	12	—	—	—	—

ECGD Fixed Rate Export Finance IV: Average Rate of interest period December 5 1984 to January 1 1985 (inclusive): 9.913 per cent. Local authorities and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rate (published by the Finance Houses Association): 10 per cent from January 1 1985. London and Scottish Clearing Bank Rates for lending 14 per cent. London Deposit Rates for sums at seven days' notice 11-11½ per cent. Treasury Bills: Average tender rates of discount 11.5234 per cent. Certificates of Tax Deposit (Series 6): Sales temporarily suspended. Rates prior to suspension were: Deposit £100,000 and over held under one month 14¼ per cent; one-three months 14 per cent; three-six months 13¾ per cent; six-nine months 13½ per cent; nine-12 months 13¼ per cent. Under £100,000 12¾ per cent from January 30. Deposits held under Series 5 10 per cent. The rate for all deposits withdrawn for cash 9 per cent.

FT LONDON INTERBANK FIXING

(11.00 a.m. January 30)
3 months U.S. dollars

bid 8 3/8	offer 8 1/2

6 months U.S. dollars

bid 8 5/8	offer 8 3/4

The fixing rates are the arithmetic means, rounded to the nearest one sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK (Lunchtime)

Prime rate	10½
Broker loan rate	9¾-10¾
Fed funds	8⅛
Fed funds at intervention	—

Treasury Bills

One-month	7.45
Two-month	7.65
Three-month	7.80
Six-month	7.97
One-year	8.24

Treasury Bonds

Two-year	99²¹⁄₃₂
Three-year	101²⁷⁄₃₂
Four-year	100½
Seven-year	103½
Five-year	101⅛
10-year	103½
30-year	105²⁵⁄₃₂

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for January 30.

OVER-THE-COUNTER

Continued from Page 36

Indices

NEW YORK–DOW JONES

New York Active Stocks

CAPITAL MARKETS

EUROBONDS

French agency takes FRN yields lower

BY MAGGIE URRY IN LONDON

CREDIT National, the French financing agency, took floating rate note yields one notch lower yesterday when it launched a $500m issue, led by Credit Suisse First Boston. Other French FRNs were firmer as a result.

The bonds will pay interest at a slim 5 basis points above the six-month London interbank offered rate (Libor) and front-end fees are only 12½ basis points.

That gives Credit National a cost of borrowing, on a straight line basis, of only 5.8 basis points over Libor for the FRN's 15-year life. The issue is guaranteed by the Republic of France.

CSFB and co-lead Banque Paribas brought in only seven co-managers – a surprisingly small number given the size of the deal. The idea is that co-managers will place the paper in firm hands or keep it themselves. As a result the issue did not trade actively in the market, although banks in the syndicate reported that paper was being placed within the 5 basis point selling concession.

Mobil Corporation is raising $200m through a five-year deal lead managed by UBS (Securities). The coupon was set at 10½ per cent and issue price at par. The deal was launched too late to trade actively, though some syndicate managers felt the terms were tight giving a yield 15 basis points below U.S. Treasury securities.

Comsat, the U.S. satellite company, launched a $100m 10 year issue through CSFB. This has a 11⅛ per cent coupon and 99½ issue price and traded within its 2 per cent fees.

Later in the day Credit Commercial de France launched a $75m issue for Newfoundland, also with a 10-year life and 99½ issue price but a lower 11⅛ per cent coupon.

The borrower has an A rating compared with Comsat's AA. The bonds were not trading actively, though some dealers quoted them around the 2 per cent total fees.

Merrill Lynch doubled the size of its 12-year fixed-rate issue for Citicorp to $200m in response to strong demand for the issue. The trading price slipped lower after the increase but was still comfortably inside the 2½ per cent total fees.

AIBD Bank bond average		
Jan 30		Previous
100.000		101.000
High	1984/85	Low
100.042		98.065

Nikko Securities launched a $40m convertible issue for Yamato Transport. The bonds have a 15-year life with a coupon indicated at 3 per cent. Likely conversion premium is 5 per cent. Fees total 2½ per cent.

Nomura International launched a Y50bn Euroyen issue for the Federal National Mortgage Association (Fannie Mae) late in the day. The seven-year bonds have a 6⅝ per cent coupon – higher than those for issues earlier this week – and a par issue price. The bonds are in registered form. Fees total 1⅞ per cent.

Japanese borrowers are looking even further for currencies which have not yet been saturated with Japanese paper. Long-Term Credit Bank launched an Australian dollar Eurobond raising A$65m yesterday, with a seven-year life and 12¼ per cent coupon. The issue price was set at 101½.

With much of the paper pre-placed in Japan, the issue was trading around the 1½ per cent selling concession, although the yield is about ½ point lower than others in the currency.

Algemene Bank Nederland launched a European currency unit issue for itself yesterday. The Ecu 100m issue has a seven-year life and 9½ per cent coupon with a 99½ issue price. This is the first time a Dutch borrower has tapped the Ecu bond market.

The World Bank has made an issue on the Italian domestic bond market for L100bn. The seven-year bonds have a 12½ per cent coupon and 98¼ issue price. Lead manager is Mediobanca.

Swiss franc foreign bonds were weaker where changed in medium turnover. The KLM perpetual issue bucked the trend though, adding 1 point to 102.

D-Mark bonds were unchanged on average yesterday, though the domestic bond market gained around ¼ point.

Committee set up to monitor Filipino debt

BY DAVID HOUSEGO IN PARIS

WESTERN donor nations yesterday took the unusual step of setting up an ad hoc committee to monitor the implementation of the Philippines stabilisation plan.

This decision reflects Western governments' concern over whether the Philippines, which has $25bn of outstanding debt, will be able to achieve the goals set by the IMF, commercial banks and the Paris Club.

The committee, which will also consider donor country programmes for 1986, is expected to meet shortly after an IMF review of the Philippine economy at the end of March. A decision will then be made on the drawing-down of a $925m commercial bank loan and $3bn trade facility to help the Philippines finance its imports and exports.

Mr Cesar Virata, Filipino Prime Minister who headed his country's delegation to yesterday's meeting with the western aid consortium in Paris, said that the two new borrowings would be signed in mid-February.

He said that the first $300m tranche of the commercial bank loan would be used to finance accumulated interest repayments. The Philippines is 75 days behind on interest payments. Mr Virata is to meet with Mr Jacque de Larosiere, the head of the IMF, in Paris on Monday.

Specific aid pledges by donor nations were not discussed at yesterday's meeting held under World Bank auspices, Mr Virata said. The Philippines normally receives about $1 to £1.2bn a year in pledges.

Mr Virata said donor nations agreed at the meeting that the Government's approach was right and said they were supporting it. But he added that Western governments needed to understand that short-term stabilisation measures could harm the country's long-term development plans.

He gave a generally optimistic picture of recovery. He said inflation should come down to about 15 per cent by the end of the year from a peak of 64 per cent in October last year. In January it dropped to an annual rate of 40 per cent.

He expected a drop in the public-sector deficit to between 1.5 and 1.7 per cent of GNP. He also anticipated a current account deficit of $1.1bn in 1984 declining to $1bn this year and $500m to $600m in 1986.

He said the Philippines was not meeting IMF targets for a component of the money supply figures. This was a result of an influx of remittances from abroad in December last year.

Donor consortium meetings are normally held every 12 to 15 months.